



20th ANNUAL REPORT 2012 - 2013

BOARD OF DIRECTORS	: Mr. Omprakash Garg Chairman & Managing Director Mr. Raju Subba Sagi Independent & Non Executive Director Mr. Pradeep Kumar Jain Independent & Non Executive Director
AUDITORS	: M/s. Bhatler & Company Chartered Accountants Mumbai.
BANKERS	: ING Vysya Bank Limited HDFC Bank Limited State Bank of India
SECRETARIAL AUDITORS	: Mr. Shailesh Kachalia Practicing Company Secretary Mumbai.
REGISTERED OFFICE AND WORKS	: A-68, M.I.D.C., Sinnar, Malegaon, Nashik District, Maharashtra (India). Pin Code - 422113.
REGISTRAR & SHARE TRANSFER AGENTS	: Bigshare Services (P) Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri(East), Mumbai – 400 072.
COMPLIANCE OFFICER	: Mr. Omprakash Garg



NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the shareholders of Cupid Limited will be held on Monday, 30th September, 2013 at A - 68, M. I. D. C. (Malegaon), Sinnar, Nasik, Maharashtra- 422113 at 9.00 a.m. to transact the following business :

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2013 and the Profit & Loss Account of the Company for the year ended on that Date and Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Omprakash Garg who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Raju Subba Sagi who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

For and on behalf of the Board of the Directors

OMPRAKASH GARG

Chairman & Managing Director

REGISTERED OFFICE

A - 68, M. I. D. C. (Malegaon),
Sinnar, Nasik,
Maharashtra- 422113

Place : Nasik

Date : 8th August, 2013

Notes for Member Attention

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company at least 48 hours before the meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday 23th September, 2013 to Monday 30th September, 2013.



Details of Directors Seeking Appointment at the Annual General Meeting

Details regarding the person proposed to be appointed as Directors and their brief resume in pursuance of Clause 49 of Listing Agreement.

Name of Director	Mr. Omprakash Garg	Mr. Raju Subba Sagi
Date of Birth	25th June, 1943	10 th December, 1942
Qualification	M. Sc.	M. Sc.
Date of Appointment	8th August, 1994	28 th February, 2009
Specific Experience	Industrialist with wide Business environment experience for more than 30 years	Industrialist with wide Business environment experience for more than 30 years
Directorships held in other Public Companies	Nil	Nil
Membership/ Chairman of Other Public Companies (Includes only Audit and Shareholders / Investors Grievance Committee)	Nil	Nil



REPORT OF BOARD OF DIRECTORS

Your Directors herewith present the **Twentieth Annual Report** on the business and operations of the Company for the year ended 31st March, 2013.

Financial Results

The highlights of financial results of the company are as follows:

PARTICULARS	(Amount in Lacs)	
	31st March, 2013	31st March, 2012
Turnover and Other Income	2862.43	2622.88
(Loss) / Profit before depreciation, finance charges and tax	331.11	295.47
Less: - Depreciation and finance charges	190.43	223.48
(Loss) / Profit before tax and exceptional items	140.68	71.99
Exceptional Items & Prior period Income / Expenses (Net)	(3.61)	-
Earlier year taxes provision W/off	-	(8.14)
Provision for Deferred tax	51.28	21.48
Net (Loss) / Profit after Tax	85.79	58.64
Balance brought forward from previous year	325.59	266.94
Balance Carried forward to Balance sheet	411.38	325.59

Operations

The year under report ended with profit of Rs. 85.79 Lacs against previous year profit of Rs.58.64 Lacs. In terms of turnover, your company achieved a turnover of Rs. 2,862.43 Lacs as against Rs. 2,622.88 Lacs in the previous year.

Finance

During the year under review , major part of term loan has been completely paid by the company except term loan liability of Rs.41.67 lacs and continue to enjoy working capital finance.

The Company had also raised fund by issue of convertible securities proceeds of same has been used to meet the requirement of working capital. The Company was able to report improvement in bottom line inspite of global slow-down & up-trend in input cost due to higher inflation and high volatility in currency rates.

The Company has achieved total revenue of Rs. 2,862.43 Lacs, which is again highest ever in history of Company. The management's continuous efforts in keeping expenditure under-control have also contributed in improvement of bottom line.

**Shifting of Registered office**

As per the consent received through postal ballot from shareholders of Company, registered office of the company w. e. f. 30th March 2013 shifted to 'A-68, M. I. D. C., Sinnar, Malegaon, Nasik – 422113'.

Launch of Female Condoms commercially in Market

Cupid Female condoms have been approved by WHO-UNFPA in 2012 and by South African Bureau of standard (SABS) in August 2013. Currently we are selling this condom in Indonesia, Brazil, Mozambique, Ivory Coast, Netherland, South Africa and India. We are anticipating large volume orders from South Africa, Brazil and NACO (National Aids Control organization), Ministry of Health, New Delhi during financial year 2013-2014.

Future Prospects

The Company's products is well recognized in the market and is best in terms of quality and standards. The Company's also enjoys a cost advantage given the proximity to Markets. The costs of productions are also kept under constant reviews and controls.

The performances during financial year 2012 – 2013 was better than previous year and also are pleased to mention that in terms revenue company had reported a turnover of Rs 2862.43 lacs due to repeated order from Government of India has further added to improvement in Company's performances.

Quality and Systematic Organisation flow Initiatives

Company is regularly reinforcing commitments to High Standards of quality products and Systematic Organisation flow as recommended by programs of the ISO 9001:2008, ISO 13485 : 2003, WHO-GMP Certification, USFDA and CE 0434 approvals. Certification leads to a prospective growth in Quality & Quantity of Company products and services.

Dividend

In view to conserve resources, the Board do not recommend payment of any dividend for the year 2012-2013.

Directors

Mr. Omprakash Garg and Mr. Raju Subba Sagi retire by rotation but being eligible offer themselves for re-appointment.

Employees

The Company has not employed any employees drawing the salary in excess of the limits prescribed under section 217 (2 A) of the Companies Act, 1956.

Conservation Of Energy, Technology absorption, Innovation & Adaptation

The Company has taken all the effective steps to conserve the energy. As stand by arrangement the Company has installed generator set.

The Company has deployed Indigenous Technology to manufacture it products. The Company is also taking steps to upgrade its technology to improve the quality of its product so as to make same cost effective and compete in international market.

**Foreign Exchange Earning & Outgo**

The Company has earned foreign exchange of Rs.533.68 Lacs (Previous year Rs. 348.69 Lacs) through exports, whereas the Company spent foreign exchange of Rs.1.41 Lacs (Previous Year Rs. 2.93 Lacs).

Fixed Deposit

The Company has not accepted any deposits during the year from the public.

Auditors

M/s Bhattar & Company, Chartered Accountants, Mumbai, who are the statutory auditors of the Company, in accordance to the provision of Companies Act, 1956 upto the conclusion of forthcoming Annual General Meeting and are eligible for re-appointment. Their appointment if made will be in accordance with section 224 (1B) of the Companies Act, 1956.

Insurance

Adequate insurance cover has been taken for the major assets of the Company including buildings, plant & machinery and stocks

Subsidiary

The Company has incorporated a subsidiary Company by the name 'Cupid Medical Research Centre Private Limited' and subscribed to the equity share capital of said company of Rs. 0.98 Lacs equivalent to 98% of shares capital. The company has not started any business activities in the said company.

Directors' Responsibility Statement

Pursuant to the provision of section 217(2AA) of the Companies Act, 1956, the Directors to the best of their knowledge and belief confirm that :

- i. In the preparation of the Annual Accounts for the year 2012 - 2013, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures.
- ii. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for the financial year.
- iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and control for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. We have prepared the annual accounts on a going concern basis.

Auditors Report

The observations made by the Auditors are replied in notes forming part of accounts, which are selfexplanatory.



Report on Corporate Governance, Management Discussion and Analysis

A report on the Corporate Governance alongwith Management Discussion and Analysis Report and a certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance, in terms of Clause 49 of the Listing Agreement, are annexed herewith.

Appreciation

The Board of Directors would like to place on records their gratitude for the co-operation and the unstinted support received from Vendors, Traders, Customers, Banks and Shareholders. The support of the Bankers, Auditors and Members of Cupid family cannot go unmentioned here.

Your Directors look forward to having a long and fruitful relationship with all of them.

For and on behalf of the Board of the Directors

OMPRAKASH GARG

Chairman & Managing Director

Place : Nasik

Date : 31st May 2013



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This discussion contains forward-looking statements, the performance of the Company for the year 2012 – 2013 and an outlook for the future. The report conveys expectations of future performance based on an assessment of current business environment. This could vary based on future developments. The following discussion and analysis should be read in connection with our audited financial statements prepared in accordance with the generally accepted accounting principles.

Industry Structure and Developments

The Company's products are well accepted in the market. The Company is marketing its products through Local distribution network and has successfully executing tender awarded by Ministry of Health, Government of India.

Opportunities and Threats

There are Opportunities towards concentration in Rural Market and exploring the Export Market. Whereas there are threats of Competition from unorganized / small-scale sectors and new entrants in the open market.

Outlook

The Indian condom market is highly fragmented – there are over 200 condom brands, most of them are regional. Assuming an industrial growth of 4 to 8 % will absorb company's entire production capacity. The Company is also penetrating new market in the International and Domestic front.

Risks and Concerns

Competition from the unorganized small-scale sector via cut throat competition from the new entrants in the market, thereby squeezing the Company's profit margins.

Internal Control Systems

The Company has an adequate system of internal controls, which ensures that all assets are protected against loss from unauthorized use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting principles.

Financial Results

The highlights of financial result of the company are as follows:

Particulars	(Amount in Lacs)	
	31st March, 2013	31st March, 2012
Turnover and Other Income	2862.43	2622.88
(Loss) / Profit before depreciation, finance charges and tax	331.11	295.47
Less: - Depreciation and finance charges	190.43	223.48
(Loss) / Profit before tax and exceptional items	140.68	71.99
Exceptional Items & Prior period Income / Expenses (Net)	(3.61)	-
Earlier year taxes provision W/off	-	(8.14)
Provision for Deferred tax	51.28	21.48
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Balance Carried forward to Balance sheet	411.38	325.59

Human Resources and Industrial Relations

The Industrial relations at the plant continue to be cordial. Training Programme for personnel in various areas of corporate interest were held at different levels in the organisation in order to build-up execution capability at regular intervals.



REPORT ON CORPORATE GOVERNANCE

The Company's policies on the Corporate Governance and due compliance report on specific areas wherever applicable for the year ended 31st March, 2013 are given hereunder divided into the following areas.

A. Company's Philosophy on Corporate Governance

Your Company is fully committed to good corporate governance practices as laid down by SEBI. It envisages attainment of a highest level of transparency, accountability and equity in all facts of the Company's operations and helps the management in the efficient conduct of the Company's affairs and in protecting the interest of various participants like shareholders, employees, lenders, clients and at the same time places due emphasis on compliance of various statutory laws.

B. Board of Directors

- a) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of private limited companies and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

Name	Category	Attendance at board Meeting in year 2012-13		Directorships in other public Companies		Committee Position held in other public Companies		Attendance at Last AGM
		Held	Attended	Chairman	Member	Chairman	Member	
Omprakash Garg	Chairman & Managing Director	12	12	NIL	NIL	NIL	NIL	Present
Raju Subba Sagi	Independent Director, Non-Executive	12	6	NIL	NIL	NIL	NIL	Present
Pradeep Kumar Jain	Independent Director, Non-Executive	12	12	NIL	NIL	NIL	NIL	Present

b) Board Procedures

Twelve board meetings were held during the year on the following dates: 21th April 2012, 12th May 2012, 17th July 2012, 6th August 2012, 17th August 2012, 3rd October 2012, 20th October 2012, 3rd November 2012, 10th January 2013, 12th January 2013, 2nd February 2013 and 12th February 2013.

The Company has a mandatory annual requirement for every director to inform the company about the Committees/Board member position he occupies in other Companies and notifies the change, if any.



c) Management

The matters that are required to be discussed under Management Discussion and Analysis report has been included in the Directors Report to the shareholders. Whenever commercial transaction and financial transactions have been entered with Company, where Directors are interested, the nature of interest is being disclosed to the Board of Directors.

During the year under review, there were no transactions of any material, financial and commercial transactions, which had personal interest of the management that had a potential conflict with the interest of the Company at large.

C. Audit Committee:

Audit Committee as required by Clause 49 of the Listing Agreement comprised the following Members:

Mr. Pradeep Kumar Jain	Chairman, Independent & Non-Executive Director
Mr. Raju Subba Sagi	Independent & Non-Executive Director
Mr. Omprakash Garg	Chairman & Managing Director of Company

Six meetings were held during the year on the following dates: 5th May 2012, 10th July 2012, 30th July 2012, 30th October 2012, 12th January 2013, and 5th February 2013.

Name	Category	No of Meeting for year 12 – 13	
		Held	Attended
Mr. Pradeep Jain	Chairman Independent & Non-Executive Director	6	6
Mr. Raju Subba Sagi	Independent & Non-Executive Director	6	4
Mr. Omprakash Garg	Chairman & Managing Director of Company	6	5

Mr. Pradeep Kumar Jain Chairman of the Audit Committee was present at the 19th Annual General Meeting of the Company held on 28th September, 2012 to answer the shareholders queries.

Some of the terms of references of audit committee are to review the financial reporting process and to examine accountancy, taxation and disclosure aspect of significant transactions.

D. Remuneration Committee.

Remuneration Committee as required by Clause 49 of the Listing Agreement comprised the following Members:

Mr. Pradeep Kumar Jain	Chairman, Independent & Non-Executive Director
Mr. Raju Subba Sagi	Independent & Non-Executive Director
Mr. Omprakash Garg	Chairman & Managing Director of Company

The Company paid Rs. NIL remuneration to Mr. Omprakash Garg Chairman, & Managing Director of the Company for the year 2012 - 2013.

One Meeting of the Remuneration Committee was held on 12th May 2012 during the financial year wherein the Committee Members took decision on remuneration and other such related matters of the Company. The Company as per approval pay nominal sitting fees and reimburses out pocket expenses incurred by Directors of the Company under review of same by remuneration committee members.



E. Shareholders / Investors Grievance Committee

Shareholders / Investors Grievance Committee as required by Clause 49 of the Listing Agreement comprised the following Members: -

Mr. Pradeep Kumar Jain	Chairman, Independent & Non-Executive Director
Mr. Raju Subba Sagi	Independent & Non-Executive Director
Mr. Omprakash Garg	Chairman & Managing Director of Company

Five board meetings were held during the year on the following dates: 12th May 2012, 17th July 2012, 03rd November 2012, 12th February 2013, and 30th March 2013.

Name	Category	No of Meeting for year 12 – 13	
		Held	Attended
Mr. Pradeep Kumar Jain	Chairman Independent & Non-Executive Director	5	5
Mr. Raju Subba Sagi	Independent & Non-Executive Director	5	4
Mr. Omprakash Garg	Chairman & Managing Director of Company	5	5

a) Procedure of the committee

The Board of Directors had delegated the power of share transfer to Mr. Omprakash Garg Chairman & Managing Director of the Company. However the Committee periodically reviews the share transferred and also looks into the redressal of shareholder complaints like non-transfer of shares, non-receipt of annual reports and other related matters.

b) Listing Fees

The Company has paid the annual listing fees for the year 2012 – 2013 to Bombay Stock Exchange Limited (BSE).

c) Shareholders Complaints for year 2012 - 2013

Sr.No	Category	Received	Replied	Pending
1.	Transfer Related	2	2	-
2.	Change of Address	-	-	-
3.	Name Correction / Transmission	-	-	-
4.	Advice for Deletion of Name	-	-	-
5.	General Queries (Others)	3	3	-
	Grand Total	5	5	-

F. General Body Meetings:

Location and time of last three AGMs held :-

Date of AGM	Time of AGM	Location
September 30, 2010	10.00 A. M.	103, Sona Chamber, 507/509, J.S.S. Road, Mumbai-400002
September 30, 2011	10.15 A. M.	103, Sona Chamber, 507/509, J.S.S. Road, Mumbai-400002
September 28, 2012	10.15 A. M.	103, Sona Chamber, 507/509, J.S.S. Road, Mumbai-400002



G. Related Party Disclosures

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

The Company has incorporated a subsidiary Company by the name 'Cupid Medical Research Centre Private Limited' and subscribed to the equity share capital of said company of Rs. 0.98 Lacs equivalent to 98% of shares capital. The company has not started any business activities in the said company.

H. Disclosures of Accounting treatment

Disclosure of accounting treatment wherever applicable has been made in the Audited Financial Accounts for the year ended 31st March, 2013

I. Board Disclosures – Risk Management

The Company has a laid down procedure to inform the Board Members about the risk assessment and minimization procedures of the material risks and they are being reviewed periodically.

J. Statutory Compliance

The Company has complied with all the requirement of Stock Exchanges, Securities and Exchange Board of India (SEBI) and other statutory authorities on matter relating to capital markets during the last three years and consequently no penalties or strictures have been imposed on the Company by these authorities.

K. Means of Communication

The quarterly results are published in atleast one of the English daily newspaper and similarly in vernacular Marathi daily newspaper.

L. Code of Conduct

As required by the amended Clause 49 of Listing Agreement, the Board of Directors of the Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The members of the Board of Directors and Senior Management have affirmed compliance of the said Code during the period under review.

M. CEO / CFO Certification

All the Board member and senior management of the Company as on 31st March, 2013 have affirmed compliance with their respective Codes of Conduct. A declaration to this effect, duly signed by the Managing Director is annexed herewith.

N. The Company has implemented Whistle Blower Policy



P. General Shareholder's Information

1. Annual General Meeting to be held

Date 30th September, 2013

Time 09.00 a.m.

Venue A - 68, M. I. D. C. (Malegaon), Sinnar, Nasik, Maharashtra- 422113

2. Financial Calendar for the financial year 2013 – 2014 (tentative)

Financial reporting for the quarter ending June 2013 After 25th July, 2013

Financial reporting for the quarter ending September 2013 After 25th October, 2013

Financial reporting for the quarter ending December 2013 After 25th January, 2014

Financial reporting for the quarter ending March 2014 After 25th April, 2014

3. Date of Book Closure 23rd September, 2013 to 30th September, 2013

4. Dividend Payment Date Not Applicable.

5. Registered & Corporate Office and Correspondence Address A - 68, M. I. D. C. (Malegaon), Sinnar, Nasik, Maharashtra- 422113

6. Listing on Stock Exchanges Bombay Stock Exchange Limited (BSE)

7. Stock Code of BSE 530843

8. International Securities Identification Numbers (ISIN) / Demat INE509F01011



9. i) Shares held in Physical / Electronic form as on 31st March, 2013

Particulars	Shares	% of shares
Shares in Electronic form	97,75,385	87.95
Shares in Physical form	13,39,615	12.05
Total	1,11,15,000	100.00

ii) Distribution of share holding as on 31st March, 2013

No. of Equity Shares held	No. of Holders	% of Holders	No. of shares	% of Shares
Upto 500	2,111	66.8461	5,04,876	4.5423
501 – 1000	508	16.0861	4,32,087	3.8874
1001 – 2000	232	7.3464	3,69,760	3.3267
2001 – 3000	91	2.8816	2,37,442	2.1362
3001 – 4000	37	1.1716	1,33,617	1.2021
4001 – 5000	43	1.3616	2,05,540	1.8492
5001 – 10000	67	2.1216	5,13,739	4.6220
10001 and above	68	2.1849	87,17,939	78.4340
Total	3,157	100.0000	1,11,15,000	100.0000

iii) Shares holding Pattern as on 31st March, 2013

Category	No. of Holders	No. of shares	% of shares
Promoters & Promoters Group	7	54,25,300	48.81
Mutual Funds	2	3,500	00.03
Bodies Corporate	100	8,91,049	8.02
NRI / OCBs	48	5,00,263	4.50
Indian Public	2,996	42,92,087	38.62
Others (Clearing Members)	4	2,801	0.03
Total	3,157	1,11,15,000	100.00

iv) Market Data on the portal of Bombay Stock Exchange Limited (BSE)

Month	CUPID LIMITED				BSE SENSEX	
	High Price (Rs.)	Low Price (Rs.)	Wt. Price (Rs)	Volume	High	Low
Apr – 2012	8.39	6.30	6.96	23,200	17664.10	17010.16
May – 2012	7.25	6.01	6.78	77,423	17432.33	15809.71
Jun – 2012	8.22	6.40	7.10	27,604	17448.48	15748.98
Jul – 2012	12.17	6.61	10.13	5,22,673	17631.19	16598.48
Aug – 2012	12.50	8.90	10.82	3,21,629	17972.54	17026.97
Sep – 2012	12.49	9.25	11.01	1,58,775	18869.94	17250.80
Oct – 2012	13.20	11.00	11.98	1,19,505	19137.29	18393.42
Nov – 2012	12.48	10.53	11.36	57,975	19372.70	18255.69
Dec – 2012	13.73	10.43	12.14	125,221	19612.18	19149.03
Jan – 2013	15.64	11.51	13.64	3,28,411	20203.66	19508.93
Feb – 2013	12.39	7.95	9.97	92,080	19966.69	18793.97
Mar – 2013	8.85	6.60	7.81	23,026	19754.66	18568.43



10. Registrar and Share Transfer Agent M/s Bigshare Services Pvt. Ltd.,
E-2/3, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri(E), Mumbai – 400 072.

11. Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in the dematerialised / electronic form and are available for the regular trading on the Bombay Stock Exchange Limited.

12. Outstanding GDRs / ADRs / Warrants or any convertible instruments.

The Company has not issued any GDR / ADR / Warrants or any convertible instruments during the year.

P. Management Discussion and Analysis

Statement of Management Discussion and Analysis is appearing elsewhere in this Annual Report in terms of the requirement of the Code of Corporate Governance.

Q. Chairman of the Board

The Company has Mr. Omprakash Garg as Chairman and Managing Director reimburses expenses incurred by him in performance of his duties.

R. Remuneration Committee

The Company has constituted remuneration committee.

S. Shareholders Rights

The Company is not sending the half-yearly results to each household of shareholders, but the Quarterly Result are published in English & Marathi newspaper widely circulated in Maharashtra.

T. Postal Ballot

The Company has changed registered office of the company by obtaining approval of the shareholders through postal ballot process.

DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 sub-clause I(D) of the listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the financial year ended 31st March, 2013.

For Cupid Limited

OMPRAKASH GARG
Chairman & Managing

Director

Place : Nasik

Date : 31st May 2013

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Cupid Limited,

We have examined the compliance of conditions of corporate governance by Cupid Limited ("the Company") for the year ended 31st March, 2013 as stipulated in clause 49 of the Listing Agreement.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 above-mentioned listing agreement.

We state that in respect of investors' grievances received during the year ended 31st March, 2013 based on the information received from the Company and presented to the Shareholder's/Investors' Grievances Committee, there are no investor grievances pending against the Company for more than 30 days.

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

For BHATTER & COMPANY
Chartered Accountants
Firm Reg. No. 131092W

DAULAL H. BHATTER
Proprietor
Membership No. 16937

Place : Nasik

Date : 31st May 2013



INDEPENDENT AUDITOR'S REPORT

To the Members of Cupid Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Cupid Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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 : -
 - a. in case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - b. in case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - c. in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
- a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - e. On the basis of written representations received from the directors as on March 31, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

FOR BHATTER & COMPANY

Chartered Accountants

Firm Reg. No. 131092W

DAULAL H. BHATTER

Proprietor

(Membership No.16937)

Place : Nasik

Dated : 31st May, 2013



ANNEXURE TO THE AUDITOR'S REPORT

Statement referred to in paragraph 7 of the Auditors Report of even date to the Members of Cupid Limited on the accounts for the year ended 31st March, 2013.

We report as under:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
- (b) As per the information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification of its fixed assets adopted by the Company and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.
- (c) During the year the Company has not disposed off any substantial/major part of fixed assets.
- (ii) (a) As per the information furnished, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. In our opinion, discrepancies noticed on physical verification of stocks were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) (a) As per the information furnished, the Company has taken interest free loans from four parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs 57.92 Lacs and year end balance of loan taken from such parties was Rs. 6.60 Lacs. The terms and condition on which loans have been taken are not, prima facie, prejudicial to the interest of company. We have been further informed that no repayment terms have been stipulated. The company has not granted any loans to the parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) (a) As per our opinion proper register in pursuance to section 301 of the Act is maintained by the Company.



- (b) In our opinion and according to the information and explanations given to us in respect of transactions with the parties covered by Section 301 of the Companies Act 1956, with whom transactions exceeding value of Rs 5 Lakhs have been entered into during the financial year, are at the prices which are reasonable having regard to the prevailing market prices at the relevant time except in case of some transactions where alternate source of supply did not exist and therefore there were no such transactions that need to be entered into a register in pursuance of section 301 of the Act, the Clause (v) (b) of the Order is not applicable.
- (vi) The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
- (viii) To the best of our knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any product of the Company.
- (ix) (a) According to the information and explanation given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.
(b) According to the records of the Company, there are no dues of sales tax, income-tax, customs, wealth-tax, excise duty, cess which have not been deposited on account of any disputes.
- (x) The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current financial year covered by our audit.
- (xi) Based on our examination of the Books of accounts and related records and according to the information and explanations given to us, we are of the opinion the Company has not defaulted in repayment of dues to Banks.
- (xii) Based on our examination of the records and that information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a Chit Fund Company or nidhi/mutual benefit fund/society.
- (xiv) In respect of shares, securities, debentures or other investments dealt in or traded by the Company, proper records are maintained in respect of transactions and contracts and timely entries have been made therein.



Cupid Limited

- (xv) According to the information and explanations given to us, the Company has not provided guarantees for loans taken by others from banks and financial institutions.
- (xvi) Based on our examination of the records and the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (xvii) 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 assets. No long term funds have been used to finance short term assets and hence the question of commenting of their utilization does not arise.
- (xviii) According to the information and explanations given to us, the company during the year had not made any preferential allotment of shares to companies, firms or parties covered in the register maintained under section 301 of the Companies Act 1956.
- (xix) The Company has not issued any debenture during the year. Therefore the provisions of clauses 4 (xix) of the Order, are not applicable to the Company.
- (xx) The Company has not raised any money by public issues during the year covered by our audit report.
- (xxi) As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

FOR BHATTER & COMPANY

Chartered Accountants

Firm Reg. No. 131092W

DAULAL H. BHATTER

Proprietor

(Membership No. : 16937)

Place : Nasik

Date : 31st May, 2013



Cupid Limited

Balance Sheet as at 31st March, 2013

Particulars	Note No.	(Amount in Rs) As At 31-Mar-2013	(Amount in Rs) As At 31-Mar-2012
I. EQUITY & LIABILITIES			
1 SHAREHOLDERS' FUNDS			
(a) Share capital	1	111,150,000	97,100,000
(b) Reserves and surplus	2	74,413,670	65,834,177
(c) Money received against share warrants		-	3,512,500
		<u>185,563,670</u>	<u>166,446,677</u>
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	-	4,583,326
(b) Deferred tax liabilities (Net)	4	13,192,920	8,064,566
		<u>13,192,920</u>	<u>12,647,892</u>
(3) Current liabilities			
(a) Short-term borrowings	5		
(i) Secured		20,178,021	19,412,433
(ii) Unsecured		660,000	3,860,100
(b) Trade payables	6	15,343,133	24,109,709
(c) Other current liabilities	7	8,387,880	32,000,121
(d) Short-term provisions	8	3,109,981	4,296,597
		<u>47,679,015</u>	<u>83,678,960</u>
TOTAL		<u><u>246,435,605</u></u>	<u><u>262,773,529</u></u>
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets	9		
(i) Tangible assets		171,782,739	167,512,105
(ii) Intangible assets		265,949	246,619
(iii) Capital work-in-progress		-	658,452
		<u>172,048,688</u>	<u>168,417,176</u>
(b) Non-current investments	10	1,493,000	4,698,000
(c) Other non-current assets	11	4,057,602	3,151,902
		<u>177,599,290</u>	<u>176,267,078</u>
(2) Current Assets			
(a) Inventories	12	29,727,911	39,456,412
(b) Trade receivables	13	12,770,040	26,982,897
(c) Cash and cash equivalents	14	3,870,328	2,375,713
(e) Short-term loans and advances	15	19,598,237	16,338,789
(f) Other Current assets	16	2,869,799	1,352,640
		<u>68,836,315</u>	<u>86,506,451</u>
TOTAL		<u><u>246,435,605</u></u>	<u><u>262,773,529</u></u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS UNDER

Significant Accounting Policies

Notes to the Balance Sheet

Other Notes

1 to 16

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In terms of our report of even date

For BHATTER & COMPANY

Chartered Accountants

Firm Registration No. 131092W

DAULAL H. BHATTER

Proprietor

Membership No. 16937

Place : Nasik

Date : 31st May 2013

For and on behalf of the Board of the Directors

OMPRAKASH GARG

Chairman & Managing Director

Pradeep Kumar Jain

Independent Director

Place : Nasik

Date : 31st May 2013



Cupid Limited

Statement of Profit and Loss Account for the year ended on 31st March, 2013

Particulars	Note No.	Year Ended 31-Mar-2013 (Amount in Rs)	Year Ended 31-Mar-2012 (Amount in Rs)
1. Revenue from operations	17	283,988,877	259,775,940
2. Other income	18	2,254,347	2,512,256
3. Total Revenue		286,243,224	262,288,196
4. Expenses :			
Cost of materials consumed	19	167,249,192	167,529,013
Changes in inventories of finished goods, work-in-progress	20	6,216,274	(2,696,055)
Manufacturing Expenses	21	36,475,916	34,494,813
Employee benefits expense	22	23,061,151	19,239,952
Administrative, Selling and Other Expenses	23	20,129,414	14,173,060
Depreciation and amortization expense	9	14,189,982	13,726,919
Finance costs	24	4,852,739	8,622,032
Prior Period Income / expenditure		(1,619,291)	-
Loss of Sale of Investments		325,000	-
Provision for Investment value Diminishing		1,655,000	-
Total Expenses		272,535,377	255,089,734
5. Profit before tax		13,707,847	7,198,462
6. Tax Expenses :			
(1) Earlier years taxes written off		-	(813,741)
(2) Deferred Tax	4	5,128,354	2,148,120
7. Profit/(Loss) for the year		8,579,493	5,864,083
8. Earnings per equity share:	25		
(1) Basic		0.77	0.60
(2) Diluted		0.77	0.53

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS UNDER

Significant Accounting Policies

Notes to the Statement of Profit & Loss

Other Notes

17 to 24

26

In terms of our report of even date

For BHATTER & COMPANY

Chartered Accountants

Firm Registration No. 131092W

DAULAL H. BHATTER

Proprietor

Membership No. 16937

Place : Nasik

Date : 31st May 2013

For and on behalf of the Board of the Directors

OMPRAKASH GARG

Chairman & Managing Director

Pradeep Kumar Jain

Independent Director

Place : Nasik

Date : 31st May 2013



Cupid Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2013

Particulars	Year Ended 31-Mar-2013 (Amount in Rs)	Year Ended 31-Mar-2012 (Amount in Rs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation	13,707,847	7,198,462
Adjustments for :		
Depreciation on fixed assets	14,189,982	13,726,919
Finance Cost	4,852,739	8,622,032
Loss of Sale of Investments	325,000	-
Provision for Investment value Diminishing	1,655,000	-
Credit Balance Written Back (Net)	40,852	(29,022)
Interest income	(970,315)	(296,321)
Operating Profit before Working Capital changes	33,801,105	29,222,070
Adjustments for :		
(Increase) / Decrease in Inventories	9,728,501	(9,941,596)
(Increase) / Decrease in Trade receivables	14,172,005	(8,296,770)
(Increase) / Decrease in Other Loans and advances	(5,585,721)	(4,508,287)
Increase/(Decrease) in Trade payables	(8,766,576)	1,785,388
Increase/(Decrease) in Other Current Liabilities & Provisions	(24,798,857)	10,860,420
CASH GENERATED FROM OPERATIONS	18,550,457	19,121,225
Income tax Paid / TDS	(96,586)	(29,417)
Net Cash inflow from/ (outflow) from Operating activities	18,453,871	19,091,808
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(17,821,494)	(3,600,531)
Sale / (Purchase) of investments	1,225,000	(1,550,000)
Interest received	970,315	296,321
Net Cash inflow from/ (outflow) from Investing activities	(15,626,179)	(4,854,210)
C. Cash Flow from Financing Activities		
Receipts from issue of Convertible warrants including premium	10,537,500	6,518,750
Proceeds / (Repayment) Long / Short Term Borrowings (Secured)	(3,817,738)	(13,320,487)
Proceeds / (Repayment) Short Term Borrowings (Unsecured)	(3,200,100)	1,865,750
Finance Cost	(4,852,739)	(8,622,032)
Net Cash inflow from/ (outflow) from Financing activities	(1,333,077)	(13,558,019)
Net increase / (decrease) in cash and cash equivalents	1,494,615	679,579
Opening Cash and Cash Equivalents		
Cash in hand	978,006	954,243
Balances In Bank and Deposit	1,397,707	741,891
	2,375,713	1,696,134
Closing Cash and Cash Equivalents		
Cash in hand	1,342,924	978,006
Balances In Bank and Deposit	2,527,404	1,397,707
	3,870,328	2,375,713

In terms of our report of even date

For BHATTER & COMPANY

Chartered Accountants

Firm Registration No. 131092W

DAULAL H. BHATTER

Proprietor

Membership No. 16937

Place : Nasik

Date : 31st May 2013

For and on behalf of the Board of the Directors

OMPRAKASH GARG

Chairman & Managing Director

Pradeep Kumar Jain

Independent Director

Place : Nasik

Date : 31st May 2013



Accompanying notes to the financial statements for the year ended 31st March, 2013 SIGNIFICANT ACCOUNTING POLICIES

1. General Information

Cupid Limited ('the Company') is a public company domiciled and incorporated in name of Cupid Rubber Limited in the state of Maharashtra on 17th February, 1993. The name was subsequently changed to Cupid Condom Limited with effect from 8th December, 2003 and further change to Cupid Limited with effect from 2nd January, 2006 as per permission affirmation by Central Government. The Company received the Certificate of Commencement of Business on 20th February, 1993.

The main object of Company on incorporation was to carry on business of dealing, marketing and manufacture of rubber contraceptives and allied prophylactic products. Later on main object of Company have been appended with obligatory permissions to entered into Diamonds, Gold, Silver and other allied precious products international or domestic trading/manufacturing/connected business segments.

2. Significant Accounting Policies

a) Basic of Preparation of Financial Statements

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 ('the Act'), and the accounting principles generally accepted in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

The financial statement are prepared and presented in the form set out in Part I and Part II of Revised Schedule VI of the Act, so far as they are applicable thereto.

These financial statements are presented in Indian rupees.

b) Use of estimates

The preparation of financial statements are in conformity with generally accepted accounting principles in India (Indian GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements which in management's opinion are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Fixed Tangible Assets / Intangible Assets

Fixed Assets are stated on original cost less accumulated depreciation. The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the working condition for its intended use.

Intangible assets are recognized if it is probable that the future economic benefits that are attributable to the assets will flow to the Company and cost of the assets can be measured reliably.



Accompanying notes to the financial statements for the year ended 31st March, 2013

SIGNIFICANT ACCOUNTING POLICIES

d) Depreciation

Depreciation on fixed assets is provided on Straight Line Method on a pro-rata basis at the rates prescribed under Schedule XIV of the Act. However computers and computer softwares where provided on WDV method, as the rates prescribed under Schedule XIV of the Act.

Assets costing less than or equal to Rs. 5,000 are treated as company revenue expenditures or else depreciated fully in the year of purchase.

e) Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. The recoverable amount of the asset (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Value in use is the present value of estimated future cash flow expected to arise from the continuing use of the assets and from its disposal at the end of its useful life.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

f) Inventories

Inventories are valued at lower of cost or net realizable value. Basis of determination of cost remain as follows :

Items	Methodology of Valuation
Raw materials, components, stores and spares, Trading goods, and Packing Materials	Cost is determined on FIFO cost method. Materials and other items held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost.
Work-in-progress and finished goods	Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes provision for excise duty if applicable.
Goods in Transits if any have been valued inclusive of custom duty.	
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.	



Accompanying notes to the financial statements for the year ended 31st March, 2013 SIGNIFICANT ACCOUNTING POLICIES

g) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sales of goods: Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer. Sales are stated net of trade discount, duties and sales tax as applicable.

Interest incomes: Interest income is recognized on time proportion basis.

Other Incomes: Export incentive, income from investment and other service income are accounted on accrual basis.

h) Investments :

Investments are classified under Non-current and current categories, as applicable are carried at cost of acquisition

i) Foreign Currency Transactions

Initial recognition : Foreign currency transactions are recorded in the reporting currency which is Indian Rupee, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion : Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

Exchange Differences : Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

j) Retirement and Other Employee Benefits

Short term employee benefits : All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period. Benefits such as salaries and wages, etc. and the paid or expected cost of the incentives / miscellaneous welfare compensations / bonus / ex-gratia are recognised in the period in which the employee renders the related service.

Long term Post employment employee benefits : Company's periodical makes contribution to several vital funds and employee benefits insurances schemes its cost has been charged to the Statement of Profit and Loss of the year where such contributions to the respective funds are due or on accrual basis.

Such contribution are to the Employee's Provident fund Scheme, 1952 govern by regional provident funds commissioner, Maharashtra whereby Company's employee are obligation towards pension and retirement benefits are covered.



Accompanying notes to the financial statements for the year ended 31st March. 2013 SIGNIFICANT ACCOUNTING POLICIES

Further the Company's liability towards gratuity of eligible employees is administered by Life Insurance Corporation of India under its Employees Group Gratuity Scheme and annual premium paid by the Company.

In addition certain employee benefits insurances schemes whereby Company's uncertain risk cost is covered by annual premium paid are been paid by the Company have been charged on accrual basis.

k) Leases

Any applicable assets taken under leases, where the company assumes substantially all the risks and rewards of Ownership are classified as Finance Leases. Such assets are capitalized at the inception of the lease at the lower of fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on outstanding liability for each period.

Assets taken under leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term as applicable.

l) Taxation

Income-tax expense if any comprises current tax, deferred tax charge or credit, minimum alternative tax (MAT).

Current tax : Provision for current tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the prevailing tax laws.

Deferred tax : Deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income tax and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the current ongoing tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax asset is recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognized only if there is a virtual certainty of realization of such asset. Deferred tax asset is reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

Minimum alternative tax : Minimum alternative tax (MAT) obligation in accordance with the tax laws, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax during the specified period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.



Accompanying notes to the financial statements for the year ended 31st March, 2013 SIGNIFICANT ACCOUNTING POLICIES

m) Borrowing Cost

Borrowing costs if any to the extent related/attribution to the acquisition/construction of assets that takes substantial period of time to get ready for their intended use are capitalized along with the respective fixed asset up to the date such asset is ready for use. Other borrowing costs are charged to the Statement of Profit and Loss.

n) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are calculated after adjusting effects of potential equity shares (PES). PES are those shares which will convert into equity shares at a later stage. Profit / loss is adjusted by the expenses incurred on such PES. Adjusted profit/loss is divided by the weighted average number of ordinary plus potential equity shares.

o) Provisions and Contingencies

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present values and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 1

SHARE CAPITAL

a. Details of authorised, issued and subscribed share capital

Particulars	As at March 31, 2013	As at March 31, 2012
Authorised Capital 1,20,00,000 (1,20,00,000) Equity Shares of Rs 10/- each	120,000,000	120,000,000
Issued Capital, Subscribed and Paid up 111,15,000 (97,10,000) Equity Shares of Rs 10/- each	111,150,000	97,100,000
Total	111,150,000	97,100,000

b. Information on shareholders holding more than 5% of the aggregate share in the Company

Name of Shareholder	Relationship	As at March 31, 2013		As at March 31, 2012	
		No. of Equity Shares held	Percentage #	No. of Equity Shares held	Percentage #
Omprakash Garg	Chairman and Managing Director	1,593,900	14.34	1,593,900	16.42
Sureshchand Garg	Brother of Mr. Omprakash Garg	1,886,451	16.97	1,186,451	12.22
Veena Garg	Spouse of Mr. Omprakash Garg	777,500	7.00	477,500,	4.92
Saroj Poddar	Non Promoter	650,000	5.85	-	-

As on 31st March 2013 no of issued equity share was 1,11,15,000 whereas as on 31st March 2012 no of issued equity shares was 97,10,000.

c. Reconciliation of number of Equity shares

Particulars	As at March 31, 2013		As at March 31, 2012	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	9,710,000	97,100,000	8,972,900	89,729,000
Shares Issued during the year	1,405,000	14,050,000	737,100	7,371,000
Share outstanding at the end of the year	11,115,000	111,150,000	9,710,000	97,100,000



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 2

RESERVES AND SURPLUS

Particulars	As at 31st March, 2013	As at 31st March, 2012
a. Securities Premium Account		
Opening Balance	30,275,600	29,954,550
Add : Securities premium credited on Share issue	-	321,050
Less : Premium Utilised for various reasons	-	-
Closing Balance	30,275,600	30,275,600
b. Other Reserves (Special Capital Incentive)		
Opening Balance	3,000,000	3,000,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	3,000,000	3,000,000
c. Surplus / Profit & Loss Account		
Opening Balance	32,558,577	26,694,494
(+) Net Profit / (Net Loss) For the year	8,579,493	5,864,083
Closing Balance	41,138,070	32,558,577
TOTAL	74,413,670	65,834,177



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 3

LONG-TERM BORROWINGS

Particulars	As at 31st March, 2013	As at 31st March, 2012
SECURED		
(a) Long terms maturities of finance lease obligations	4,167,471	25,547,795
Less : Terms Loan Payable upto 31st March 2013 *	4,167,471	20,964,469
TOTAL	-	4,583,326

NOTE NO. 4

DEFERRED TAX LIABILITY (Net)

The Company has provided for Deferred Tax in accordance with the Accounting Standard on "Accounting for Taxes on Income" (AS 22) issued by the Institute of Chartered Accountants of India.

The Major components of deferred tax liability / asset as recognised in the financial statement is as follows :

Particulars	As at 31st March, 2013	As at 31st March, 2012
a. Deferred Tax Liability		
Excess of net block fixed assets as per book of accounts over net block for tax purpose	25,144,842	25,641,516
	25,144,842	25,641,516
b. Deferred Tax Assets		
Carry forward business loss and unabsorbed depreciation	11,951,922	17,576,950
	11,951,922	17,576,950
Net Deferred Tax Liability (a - b)	13,192,920	8,064,566

Deferred Tax Charge / (Credit) for the year	(5,128,354.00)	2,148,120
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Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 5

SHORT - TERM BORROWINGS

i) Secured - Short - Term Borrowings

Particulars	As at 31st March, 2013	As at 31st March, 2012
Working Capital Loan Banks	20,178,021	19,412,433
TOTAL	20,178,021	19,412,433

- Working Capital Assistance Loan from banks is secured by hypothecation of stock of raw materials, WIP and finished goods and book debts.
- Additionally above loan have been personally guranted by Mr. Omprakash Garg, Chairman and Mr. Durgesh Garg
- Maturity period with respect to Cash Credit is renewable every year
- Rate of interest on cash credit is IVRR Less 3% as on 31st March, 2013 IVRR is 16.75%

ii) Unsecured - Short - Term Borrowings

Particulars	As at 31st March, 2013	As at 31st March, 2012
Loan and advance from related parties (Interest Free)	660,000	3,860,100
TOTAL	660,000	3,860,100

NOTE NO. 6

TRADE PAYABLES

Particulars	As at 31st March, 2013	As at 31st March, 2012
Trade Payables for Materials and Services	15,343,133	24,109,709
TOTAL	15,343,133	24,109,709

NOTE NO. 7

OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2013	As at 31st March, 2012
Staturoy Liabilities	540,412	529,822
Current maturities of long-term debt (ref note no # 3)	4,167,471	20,964,469
Advance from Customers	3,679,997	10,505,830
TOTAL	8,387,880	32,000,121



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 8

SHORT-TERM PROVISIONS

Particulars	As at 31st March, 2013	As at 31st March, 2012
Accrual for Expenses	3,109,981	4,296,597
TOTAL	3,109,981	4,296,597



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 9

FIXED ASSETS

(Amount in Rs.)

PARTICULARS	DEPRECIATION		Gross Block			Accumulated Depreciation			NET BLOCK	
	Method	Rate of Depreciation (Pro-rata)	As at April 1st, 2012	Additional (Deletions) during the year	As at March 31st, 2013	As at April 1st, 2012	Depreciation charge for the year	As at March 31st, 2013	As at March 31st, 2013	As at March 31st, 2012
A. Tangible Assets										
Land & Site Development	SLM	4.75%	1,644,000	-	1,644,000	-	-	-	1,644,000	1,644,000
Building	SLM	3.34%	48,472,549	6,707,070	55,179,619	15,888,332	1,714,381	17,602,713	37,576,906	32,584,217
Plant & Machinery	SLM	4.75%	173,563,903	-	173,563,903	93,179,321	8,244,285	101,423,606	72,140,297	80,384,582
Electricals	SLM	4.75%	11,106,974	616,896	11,723,870	5,555,486	539,632	6,095,118	5,628,752	5,551,488
Indegenious Equipment	SLM	4.75%	57,116,661	6,158,488	63,275,149	14,713,460	2,823,275	17,536,735	45,738,414	42,403,201
Computers	WDV	40.00%	1,462,904	591,750	2,054,654	1,225,361	231,759	1,457,120	597,534	237,543
Air Conditoner	SLM	4.75%	288,622	-	288,622	58,853	13,710	72,563	216,059	229,769
Office Equipment	SLM	11.38%	113,578	-	113,578	70,560	12,925	83,485	30,093	43,018
Vehicles	SLM	4.75%	637,953	-	637,953	113,636	30,303	143,939	494,014	524,317
Furniture & Fixtures	SLM	6.33%	6,491,659	4,228,775	10,720,434	2,581,689	422,075	3,003,764	7,716,670	3,909,970
TOTAL			300,898,803	18,302,979	319,201,782	133,386,698	14,032,345	147,419,043	171,782,739	167,512,105
Previous Year			297,956,724	2,942,079	300,898,803	119,824,192	13,562,506	133,386,698	167,512,105	178,132,532
B. Intangible Assets										
Computer Software			2,195,685	176,967	2,372,652	1,949,066	157,637	2,106,703	265,949	246,619
TOTAL	WDV	40.00%	2,195,685	176,967	2,372,652	1,949,066	157,637	2,106,703	265,949	246,619
Previous Year			2,195,685	-	2,195,685	1,784,653	164,413	1,949,066	246,619	411,032
GRAND TOTAL			303,094,488	18,479,946	321,574,434	135,335,764	14,189,982	149,525,746	172,048,688	167,758,724

(SLM = STRAIGHT LINE METHOD)

(WDV = WRITTEN DOWN VALUE METHOD)



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 10

NON-CURRENT INVESTMENTS

Particulars	As at 31st March,2013	As at 31st March,2012
A. INVESTMENT IN SUBSIDIARY COMPANY		
(I) 9,800 (Pre. Yr : NIL) Equity Share of Rs.10 each in Cupid Medical Research Centre Pvt. Ltd.	98,000	98,000
SUB TOTAL	98,000	98,000
B. INVESTMENT IN UNQUOTED EQUITY INSTRUMENTS		
(I) 6500 (Pre. Yr : 6500) Equity Shares on Rs. 10 each in Shri Sai Shakshi Hotels Pvt. Ltd.	195,000	650,000
(II) 9800 (Pre. Yr : 9,800) Equity Shares of Rs. 10 each in Arihantsidh Properties Pvt. Ltd.	1,200,000	2,400,000
(III) 25,000 (Pre. Yr : NIL) Equity Shares of Rs. 10 each in Ramniyati Realities Private Limited	-	750,000
(IV) 20,000 (Pre. Yr : NIL) Equity Shares of Rs. 10 each in Sanmati Realities Pvt. Ltd.	-	800,000
SUB TOTAL	1,395,000	4,600,000
TOTAL (A + B)	1,493,000	4,698,000

Particulars	As at 31st March,2013	As at 31st March,2012
Aggregate amount of unquoted investments	1,493,000	4,698,000

NOTE NO. 11

OTHER NON-CURRENT ASSETS

Particulars	As at 31st March,2013	As at 31st March,2012
Security Deposit for Services and Property	4,057,602	3,151,902
TOTAL	4,057,602	3,151,902



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 12

INVENTORIES

Particulars	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2011
a. Raw Materials	5,401,114	6,909,020	2,380,333
b. Fuel	-	280,215	269,187
c. Packing Materials	5,747,368	6,745,135	4,726,512
d. Stores and spares	315,409	1,041,748	354,545
e. Stock-in-progress	1,045,106	1,741,143	578,412
f. Finished goods	17,218,914	22,739,151	19,982,717
g. Gold / Gold Jewellery	-	-	1,223,110
TOTAL	29,727,911	39,456,412	29,514,816

NOTE NO. 13

TRADE RECEIVABLES

Particulars	As at 31st March, 2013	As at 31st March, 2012
Trade receivables outstanding for a period less than six months (Unsecured, considered good)	10,296,623	25,156,893
SUB - TOTAL	10,296,623	25,156,893
Trade receivables outstanding for a period exceeding six months (Unsecured, considered good)	2,473,417	1,826,004
SUB - TOTAL	2,473,417	1,826,004
TOTAL	12,770,040	26,982,897

NOTE NO. 14

CASH AND CASH EQUIVALENT

Particulars	As at 31st March, 2013	As at 31st March, 2012
a. Balance with banks	2,307,420	1,121,723
b. Cash on hand	1,342,924	978,006
c. Bank Deposit	219,984	275,984
TOTAL	3,870,328	2,375,713



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 15

SHORT-TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2013	As at 31st March, 2012
Advance to Suppliers	2,906,569	2,415,943
Advance taxes paid	260,662	164,076
Advances recoverable in cash or in kind or for the value to be received	16,431,006	13,758,770
TOTAL	19,598,237	16,338,789

NOTE NO. 16

OTHER CURRENT ASSETS

Particulars	As at 31st March, 2013	As at 31st March, 2012
Sales Tax Refund Claimable	2,737,319	1,295,509
Interest receivable on deposits given	132,480	57,131
TOTAL	2,869,799	1,352,640

NOTE NO. 17

REVENUE FROM OPERATIONS

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Manufactured Goods		
Domestic Sales	230,621,235	221,828,078
Export Sales	53,367,642	35,277,862
Traded Goods		
Domestic Sales	-	2,670,000
TOTAL	283,988,877	259,775,940



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 18

OTHER INCOME

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
DEPB Income	-	896,294
Exchange rate differential	580,790	1,098,864
Excise Refund (Net)	-	152,702
Interest Income	668,075	296,321
Insurance claim received	970,315	39,053
Credit Balance Written Back	35,167	29,022
TOTAL	2,254,347	2,512,256

NOTE NO. 19

COST OF MATERIAL CONSUMED

Particulars	As at 31st March, 2013	As at 31st March, 2012
RAW MATERIALS		
Opening Stock of Raw Materials	6,909,020	2,380,333
Add : Purchases of Raw Materials	101,193,088	110,293,836
Less : Closing Stock of Raw Materials	5,401,114	6,909,020
SUB - TOTAL	102,700,994	105,765,149
FURANCE OIL		
Opening Stock of Furance Oil	280,215	269,187
Add : Purchases of Furance Oil	4,938,900	5,536,148
Less : Closing Stock of Furance Oil	-	280,215
SUB - TOTAL	5,219,115	5,525,120
PACKING MATERIAL		
Opening Stock of Packing Material	6,745,135	4,726,512
Add : Purchases of Packing Material	54,893,673	53,859,558
Less : Closing Stock of Packing Material	5,747,368	6,745,135
SUB - TOTAL	55,891,440	51,840,935
STORE AND CONSUMABLES		
Opening Stock of Store and Consumables	1,041,748	354,545
Add : Purchases of Store and Consumables	6,291,818	5,737,122
Less : Closing Stock of Store and Consumables	315,409	1,041,748
SUB - TOTAL	7,018,157	5,049,919
LESS : Refund of Taxes and Duties	3,580,514	652,110
TOTAL	167,249,192	167,529,013



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 20

CHANGES IN INVENTORY OF FINISHED GOODS & STOCK-IN-PROGRESS

Particulars	As at 31st March, 2013	As at 31st March, 2012
Opening Inventory		
Finished Goods	22,739,151	19,982,717
Trading Finished Goods	-	1,223,110
Stock - In - Progress	1,741,143	578,412
	24,480,294	21,784,239
Closing Inventory		
Finished Goods	17,218,914	22,739,151
Trading Finished Goods	-	-
Stock-In-Progress	1,045,106	1,741,143
	18,264,020	24,480,294
TOTAL	6,216,274	(2,696,055)

NOTE NO. 21

MANUFACTURING EXPENSES

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Power & Fuel	23,137,865	22,901,277
Water Charges	417,050	341,287
Clearing, Freight and Transportation	2,856,787	2,767,315
Packing and Material Handling Expenses	6,539,558	6,052,933
Testing & Inspection Charges	796,751	706,385
Repairs and Maintenance		
(i) Plant & Machinery	1,208,696	887,059
(ii) Factory Building	552,267	336,168
(iii) Others	966,942	502,389
TOTAL	36,475,916	34,494,813



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 22

EMPLOYEE BENEFIT EXPENSES

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Managerial remuneration	-	764,300
Director Sitting Fees	80,000	-
Salary Weges and Incentives	18,727,693	15,891,060
Contributions to -		
Provident fund	1,143,317	954,387
Gratuity fund contributions	498,510	603,303
Other funds	4,300	3,748
Provision for leave encashment	632,150	-
Other benefits	157,905	80,444
Incentive expenses	536,127	-
Staff welfare expenses	1,281,149	942,710
TOTAL	23,061,151	19,239,952

NOTE NO. 23

ADMINISTRATIVE, SELLING AND OTHER EXPENSES

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Travelling and Conveyance	3,732,468	3,193,229
Rent, Rates, Taxes and Insurances	1,397,997	1,982,968
Printing and Stationary	581,484	544,615
Computer Maintanance and Software	152,071	96,007
Professional Charges	2,408,749	452,321
Audit Fees	56,180	56,180
Postage And Telephone	1,389,438	1,683,572
Security Charges	970,798	768,960
Advertisement	467,327	76,192
Clearing, Freight & Transportation	3,072,404	2,060,471
Bad Debts	-	-
Commission & Brokerage	2,203,610	395,693
Research and Developement of Product	380,580	398,373
Selling & Distribution Expenses	1,001,843	490,697
Misc. Expenses	2,314,465	2,027,782
TOTAL	20,129,414	14,173,060



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 24 FINANCE COST

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Interest Expenses on Banks Borrowing	4,574,635	7,452,885
Interest on other Borrowing / Credits	67,740	854,082
Bank Charges and Commission	210,364	315,065
TOTAL	4,852,739	8,622,032

NOTE NO. 25 EARNINGS PER EQUITY SHARES

Particulars	As at 31st March, 2013	As at 31st March, 2012
BASIC EARNINGS PER EQUITY SHARE		
Profit/(Loss) after taxes attributable to Equity shareholders	8,579,493	5,864,083
Weighted average number of equity shares	11,115,000	9,710,000
Basic Earnings Per Share (in Rs)	0.77	0.60
Face Value per Share	10.00	10.00
DILUTIVE EARNINGS PER EQUITY SHARE		
Profit/(Loss) after taxes attributable to Equity shareholders	8,579,493	5,864,083
Weighted average number of equity share after considering potential equity shares	11,115,000	11,115,000
Dilutive Earnings per Share (in Rs.)	0.77	0.53



Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 26

OTHER NOTES FOR FINANCIAL STATEMENTS

A. Other Notes to the Balance Sheet

1. Company has no Contingent Liabilities as on 31st March, 2013, Except commitment of Rs. 19.28 lacs to be executed on account of capital goods.
2. In view of the insufficient information from the suppliers regarding their status as SSI units, the amounts due to Small Scale Industrial undertaking cannot be ascertained.
3. All of the assets other than fixed assets and non-current investments, have been are carried at cost of acquisition.
4. There was no impairment loss on Fixed Assets on the basis of review carried out but the Management in accordance with Accounting Standard 28 issued by the Institute of Chartered Accountants of India.

B. Other Notes to the Statement of Profit and Loss

1. Details regarding Imported and Indigenous Material Consumed

(a) Consumption of raw materials :-

Particulars	Year Ended 31st March, 2013		Year Ended 31st March, 2012	
	Amt in Lacs	Percentage	Amt in Lacs	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	1027.01	100%	1057.65	100%
TOTAL	1027.01	100%	1057.65	100%

(b) Consumption of Furnace Oil :-

Particulars	Year Ended 31st March, 2013		Year Ended 31st March, 2012	
	Amt in Lacs	Percentage	Amt in Lacs	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	52.19	100%	55.25	100%
TOTAL	52.19	100%	55.25	100%



Accompanying notes to the financial statements for the year ended 31st March, 2013

(c) Consumption of Packing Material :-

Particulars	Year Ended 31st March, 2013		Year Ended 31st March, 2012	
	Amt in Lacs	Percentage	Amt in Lacs	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	558.91	100%	518.40	100%
TOTAL	558.91	100%	518.40	100%

(d) Consumption of Stores & Consumables :-

Particulars	Year Ended 31st March, 2013		Year Ended 31st March, 2012	
	Amt in Lacs	Percentage	Amt in Lacs	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	70.18	100%	50.49	100%
TOTAL	70.18	100%	50.49	100%

2. Particulars regarding Capacities, Turnover & Raw Material Consumption

(a) Particulars of consumption of raw materials and Furnace Oil :-

Particulars	Year Ended 31st March, 2013		Year Ended 31st March, 2012	
	Qty	Amt in Lacs	Qty	Amt in Lacs
Latex (KGS)	646256	886.32	643106	903.49
Chemicals	N. A.	140.69	N. A.	106.25
Furnace Oil (LITRE)	106227	52.19	124782	55.25

(b) Particulars of Licensed and Installed capacity of products manufactured :-

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
i) Production Capacity of Rubber prophylactics	503.51 Million pcs p.a.	503.51 Million pcs p.a.
ii) Production, Turnover and Stock of Rubber prophylactics (Quantity in Gross)		
Opening Stock	1,66,675	1,59,859
Production	12,43,364	13,96,750
Sales (Net)	12,66,809	13,89,394
Closing Stock	1,43,230	1,66,675



Accompanying notes to the financial statements for the year ended 31st March, 2013

3. Traveling expenses includes Rs. 0.96 Lacs (previous year Rs. 4.68 Lacs) spent on Foreign Travel.

4. Earnings & Outflow in foreign currency (on accrual basis) :-

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
	Amt in Lacs	Amt in Lacs
EARNINGS		
Export on F. O. B basis	533.68	348.69
TOTAL EARNINGS	533.68	348.69
OUTFLOW		
Machinery / Equipment Purchases	1.41	2.93
TOTAL OUTFLOW	1.41	2.93

5. Auditor Remuneration

Particulars	Year Ended 31st March, 2013 *	Year Ended 31st March, 2012 *
As Auditor	44944	44944
For taxation matter	11236	11236
For Other services	33708	16545
TOTAL	89888	72725

* Inclusive of Service Tax.



Accompanying notes to the financial statements for the year ended 31st March, 2013

C. Other Notes to the Financial Statements

1. Related Party Disclosure for the year ended (AS - 18)

i) Key Personnel & Relatives

- a) Mr. Omprakash Garg –: Chairman and Managing Director
- b) Mr. Durgesh Garg –: Brother's son of Mr. Omprakash Garg
- c) Mr. Pawan Bansal –: Sister's son of Mr. Omprakash Garg
- d) Mr. Suresh chand Garg -: Brother of Mr. Omprakash Garg
- e) Mrs. Abha Garg -: Wife of Mr. Sureshchand Garg

ii) Transaction with Related Parties

No.	Parties	Details	2012-13	2011-12
			(Amt in Rs Lacs)	
a.	Mr. Omprakash Garg	Loan Taken during the year	3.72	-
		Loan Repaid during the year	2.87	-
b.	Mr. Sureshchand Garg (B/o of Mr. Omprakash)	Subscribed the convertible warrants of the Company issued on preferential basis	52.50	72.25
c.	Mrs. Abha Garg (W/o of Mr. Sureshchand Garg)	Subscribed the convertible warrants of the Company issued on preferential basis	11.25	-
d.	Mr. Sureshchand Garg (B/o of Mr. Omprakash)	Loan Taken during the year	12.00	37.93
		Loan Repaid during the year	30.35	20.00
e.	Anmol Jewelers (Proprietor firm of Sureshchand Garg)	Loan Repaid during the year	14.50	-
f.	Mr. Durgesh Garg (Relative of Mr. Omprakash)	Salary	8.36	7.64
		Loan Taken during the year	9.35	-
		Loan Repaid during the year	9.35	-
g.	Mr. Pawan Bansal (Relative of Mr. Omprakash)	Salary	5.52	6.75
h.	Mrs. Veena Garg (W/o of Mr. Omprakash)	Rent	-	0.72

iii) Balance Outstanding of Related Parties :

No.	Parties	Receivable / Payable	2012-13	2011-12
			(Amt in Rs Lacs)	
a.	Mr. Omprakash Garg	Payable	-	2.87
b.	Mr. Sureshchand Garg	Payable	3.72	18.35
c.	Mrs. Veena Garg	Payable	2.88	2.88
d.	Anmol Jewelers (Proprietor firm of Sureshchand Garg)	Payable	-	14.50



Accompanying notes to the financial statements for the year ended 31st March, 2013

2. Previous year figures have been regrouped and recasted, wherever considered necessary.
3. Additional information as required under part II as per Schedule VI to the Companies Act 1956 has been given to the extent applicable to the Company as per annexure A annexed herewith.

In terms of our report of even date

For BHATTER & COMPANY

Chartered Accountants
Firm Reg. No. 131092W

For and on behalf of the Board of the Directors

DAULAL H. BHATTER

Proprietor
Membership No. 16937

OMPRAKASH GARG

Chairman & Managing Director

PRADEEP KUMAR JAIN

Independent Director

Place : Nasik

Date : 31st May, 2013



ANNEXURE 'A'

I Registration Details

(i) Registration No (CIN No.)	L25193MH1993PLC070846
(ii) State Code No	11
(iii) Balance Sheet Date	31-03-2013

II CAPITAL RAISED DURING THE YEAR (Amount in Rs.)

(i) Public Issue	-
(ii) Right Issue	-
(iii) Bonus Issue	-
(iv) Private Placement / Warrants	14,050,000

III POSITION OF MOBILISATION & DEVELOPMENT OF FUND (Amount in Rs.)

(i) Total Equity and Liabilities	246,435,605
(ii) Total Assets	246,435,605

EQUITY AND LIABILITES

(i) Share Capital	111,150,000
(ii) Reserve and Surplus / Profit and Loss A/c (Debit)	74,413,670
(iii) Money Recd Against Shares Warrant	-

NON CURRENT LIABILITES

(iv) Long Term Borrowings	-
(v) Net Deferred Tax (Net Liability)	13,192,920

CURRENT LIABILITES

(vi) Short Term Borrowings	20,838,021
(vii) Trade Payables	15,343,133
(viii) Other Current Liabilities	8,387,880
(ix) Shot Term Provisions	3,109,981

ASSETS

NON CURRENT ASSETS

(i) Fixed Assets	172,048,688
(ii) Non Current Investements	1,493,000
(iii) Other Non Current Assets	4,057,602

CURRENT ASSETS

(iv) Inventories	29,727,911
(v) Trade Receivables	12,770,040
(vi) Cash and Cash Equivalents	3,870,328
(vii) Short Term Loans and Advances	19,598,237
(viii) Other Current Assets	2,869,799

IV Performance of Company (Amount in Rs.)

(i) Turnover (including other income)	286,243,224
(ii) Total Expenditure	272,535,377
(iii) Profit / (Loss) Before Tax	13,707,847
(iv) Profit / (Loss) After Tax	8,579,493
(v) Earning Per Share (Amount in Rs)	0.77
(vi) Dividend Rate (%)	-

V Generic Names of Principal Product of Company (as per monetary terms)

(i) Item Code No.	401410.01
Products Description	Rubber Prophylactics



**CUPID
MEDICAL AND RESEARCH
CENTRE
PRIVATE LIMITED**

(Subsiding Company of Cupid Ltd.)

5th ANNUAL REPORT 2012 - 2013



**CUPID MEDICAL AND RESEARCH CENTRE
PRIVATE LIMITED**

5th ANNUAL REPORT 2012-2013

BOARD OF DIRECTORS

Mr. Pawan Bansal

Mr. Durgesh Garg

AUDITORS

BHATTER & COMPANY

Chartered Accountants

Mumbai

BANKERS

HDFC Bank Limited

REGISTERED & CORPORATE OFFICE

103, Sona Chambers,
507/509, J. S. S. Road, Mumbai - 400 002.,
Maharashtra, India.



Cupid Medical & Research Centre Pvt. Ltd.

NOTICE

Notice is hereby given that the 5th Annual General Meeting of the shareholders of Cupid Medical and Research Centre Private Limited will be held on 30th September, 2013 at A-68, M.I.D.C. (Malegaon), Sinnar, Nasik, Maharashtra - 422113 at 11.30 a.m. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2013 and the Profit & Loss Account of the Company for the year ended on that Date and Reports of the Directors' and Auditors' thereon.
2. To appoint Auditors of the Company and to fix their remuneration.

For and on behalf of the Board of the Directors

PAWAN BANSAL
Director

REGISTERED OFFICE

103, Sona Chamber,
507/509, J.S.S. Road,
Mumbai – 400 002.

Place : Mumbai

Date : 31st May, 2013



Cupid Medical & Research Centre Pvt. Ltd.

REPORT OF BOARD OF DIRECTORS

Your Directors herewith present the **5th Annual Report** of the Company for the year ended 31st March, 2013.

Dividend

During the year the company had not undertaken any business activity and in view of Loss, is unable to recommend any dividend for the current year.

Fixed Deposit

The company has not accepted any deposits from the public during the year.

Employee

The company has not employed any employees drawing the salary in excess of the limits prescribed under section 217 (2 A) of the Companies Act, 1956.

Directors' Responsibility Statement

Pursuant to the provision of section 217(2AA) of the Companies Act, 1956, the Directors to the best of their knowledge and belief confirm that:

- i. In the preparation of the Annual Accounts for the year 2012 - 2013, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures.
- ii. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for the financial year.
- iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and control for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. We have prepared the annual accounts on a going concern basis.

For and on behalf of the Board of the Directors

PAWAN BANSAL
Director

DURGESH GARG
Director

Place : Mumbai

Date : 31st May, 2013



Cupid Medical & Research Centre Pvt. Ltd.

BHATTER & COMPANY

Chartered Accountants

Tel – 2285 3039

307, Tulsiani Chambers, Nariman Point, Mumbai – 400 021

AUDITOR'S REPORT

We have audited the attached Balance Sheet of M/s Cupid Medical and Research Centre Private Limited as at 31st March 2013 and also the Statement of Profit & Loss Account for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

The paid up capital of the company does not exceed rupees 50 lakhs nor has the company invited deposits from public or taken loan from any bank of financial institution exceeding Rupees 10 lakhs nor is the turnover of the company exceeding Rs 5 Crores. Hence the Provisions of the companies (Auditors Report Order 2003) are not applicable to the company. Hence we have nothing to report in terms of the aforesaid order.

Further to subject to notes to accounts, we report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of accounts, as required by law have been kept by the Company so far as appears from the examination of the books.
3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
4. In our opinion Balance Sheet and Statement of Profit & Loss Account dealt with this report company with the Accounting Standards referred to in 211 (3C) of the Companies Act, 1956.
5. On the basis of the written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view :-
 - i) In case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2013.
and
 - ii) In case of the Statement of Profit & Loss Account of the Loss of the Company for the year ended on that date.

For BHATTER & COMPANY

Chartered Accountants.

Firm Reg. No. : 131092W

DAULAL H. BHATTER

Proprietor (Membership No: 16937)

Place : Mumbai

Date : 31st May, 2013



Cupid Medical & Research Centre Pvt. Ltd.

Balance Sheet as at 31st March, 2013

Particulars	Note No.	As at 31-Mar-2013 (Amount in Rs)	As at 31-Mar-2012 (Amount in Rs)
I EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share capital	1	100,000	100,000
(b) Reserves and surplus	2	(20,415)	(15,106)
		79,585	84,894
(3) Current liabilities			
(a) Short-term provisions	3	2,251	1,127
		2,251	1,127
TOTAL		81,836	86,021
II. ASSETS			
(2) Current Assets			
(a) Cash and cash equivalents	4	69,433	71,551
(b) Other Current assets	5	12,403	14,470
TOTAL		81,836	86,021

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS UNDER

Significant Accounting Policies

Notes to the Balance Sheet 01 to 05

Other Notes 07

In terms of our report of even date

For BHATTER & COMPANY

Chartered Accountants
Firm Reg. No. 131092W

DAULAL H. BHATTER

Proprietor
Membership No. 16937

Place : Mumbai
Date : 31st May 2013

**For and on behalf of the Board of the Directors of
Cupid Medical and Research Centre Pvt. Ltd.**

PAWAN BANSAL
Director

DURESH GARG
Director

Place : Mumbai
Date : 31st May 2013



Cupid Medical & Research Centre Pvt. Ltd.

Statement of Profit and Loss For the Year Ended 31st March, 2013

Particulars	Note No.	Year Ended 31-Mar-2013 (Amount in Rs)	Year Ended 31-Mar-2012 (Amount in Rs)
I Revenue from operations		-	-
II. Other income		-	-
III. Total Revenue (I + II)		<u>-</u>	<u>-</u>
IV. Expenses :			
Administrative, Selling and Other Expenses	6	5,309	3,842
Total Expenses		<u>5,309</u>	<u>3,842</u>
V. Profit before tax (III - IV)		(5,309)	(3,842)
VI. Tax Expenses :		-	-
VII. Profit/(Loss) for the year		<u>(5,309)</u>	<u>(3,842)</u>
VIII. Earnings per equity share :			
(1) Basic		-	-
(2) Diluted		-	-

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS UNDER

Significant Accounting Policies

Notes to the Statement of Profit & Loss

06

Other Notes

07

In terms of our report of even date

For BHATTER & COMPANY

Chartered Accountants
Firm Reg. No. 131092W

DAULAL H. BHATTER

Proprietor
Membership No. 16937

Place : Mumbai
Date : 31st May 2013

For and on behalf of the Board of the Directors of
Cupid Medical and Research Centre Pvt. Ltd.

PAWAN BANSAL
Director

DURESH GARG
Director

Place : Mumbai
Date : 31st May 2013



Accompanying notes to the financial statements for the year ended 31st March, 2013

SIGNIFICANT ACCOUNTING POLICIES

1. General Information

Cupid Medical and Research Centre Private Limited ('the Company'), a subsidiary of M/s Cupid Limited, was incorporated in the state of Maharashtra on 2nd September 2008.

The main object of Company on incorporation was to establish a unit to carry out Medical research in the field of Male and Female Contraceptives and allied products in related business segments. However the Company have not yet undertaken any business activities.

2. Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 ('the Act'), and the accounting principles generally accepted in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

The financial statement are prepared and presented in the form set out in Part I and Part II of Revised Schedule VI of the Act, so far as they are applicable thereto.

These financial statements are presented in Indian rupees.

a) Use of estimates

The preparation of financial statements are in conformity with generally accepted accounting principles in India (Indian GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements which in management's opinion are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

b) Other Current Assets / Miscellaneous Expenditure

The Company has incurred expenses for incorporation of company, issue of shares and other sundry expenses, same is capitalise under Preliminary Expenses are being amortized over a period of ten years from the business commencement year.

c) Contingent Liabilities

The Company has no contingent Liabilities during the period.



Cupid Medical & Research Centre Pvt. Ltd.

Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 1

SHARE CAPITAL

a. Details of authorised, issued and subscribed share capital

Particulars	As at 31st March, 2013	As at 31st March, 2012
Authorised Capital 10,000 (10,000) Equity Shares of Rs. 10 each	100,000	100,000
Issued Capital, Subscribed and Paid up 10,000 (10,000) Equity Shares of Rs. 10/- each	100,000	100,000
Total	100,000	100,000

b. Information on shareholders holding more than 5% of the aggregate share in the Company

Name of Shareholder	Relationship	As at 31st March, 2013		As at 31st March, 2012	
		No. of Equity Shares held	Percentage	No. of Equity Shares held	Percentage
Cupid Limited	Holding Company	9800	98%	9800	98%

c. Reconciliation of number of Equity shares

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Shares Issued during the year	-	0	-	0
Share outstanding at the end of the year	10,000	100,000	10,000	100,000



Cupid Medical & Research Centre Pvt. Ltd.

Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 2

RESERVES AND SURPLUS

Particulars	As at 31st March, 2013	As at 31st March, 2012
Surplus / Profit & Loss Account (DEBIT)		
Opening balance	(15,106)	(11,264)
(+) Net profit / (Net Loss) For the current year	(5,309)	(3,842)
Closing balance	(20,415)	(15,106)

NOTE NO. 3

SHORT-TERM PROVISIONS

Particulars	As at 31st March, 2013	As at 31st March, 2012
Accrual for Expenses	2,251	1,127
TOTAL	2,251	1,127

NOTE NO. 4

CASH AND CASH EQUIVALENT

Particulars	As at 31st March, 2013	As at 31st March, 2012
a. Balance with banks	5,534	5,534
b. Cash on hand	63,899	66,017
TOTAL	69,433	71,551

NOTE NO. 5

OTHER CURRENT ASSETS

Particulars	As at 31st March, 2013	As at 31st March, 2012
Miscellaneous Exp.	12,403	14,470
TOTAL	12,403	14,470



Cupid Medical & Research Centre Pvt. Ltd.

Accompanying notes to the financial statements for the year ended 31st March, 2013

NOTE NO. 6

ADMINISTRATIVE, SELLING AND OTHER EXPENSES

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Travelling and Conveyance	69	47
Audit Fees	1,124	1,124
Sundry Expenses	2,049	604
Misc Expenses w/off	2,067	2,067
TOTAL	5,309	3,842

NOTE NO. 7

OTHER NOTES FOR FINANCIAL STATEMENTS

1. Auditors Remuneration

Particulars	As at 31st March, 2013*	As at 31st March, 2012*
As Audit fees and Other services	1124	1124
TOTAL	1124	1124

* Inclusive of Service Tax.

- Previous year figures have been regrouped and recasted, wherever considered necessary.
- Additional information as required under part II as per Schedule VI to the Companies Act 1956 has been given to the extent applicable to the Company as per annexure A annexed herewith.

In terms of our report of even date

For BHATTER & COMPANY

Chartered Accountants
Firm Reg. No. 131092W

DAULAL H. BHATTER

Proprietor
Membership No. 16937

**For and on behalf of the Board of the Directors of
Cupid Medical and Research Centre Pvt. Ltd.**

PAWAN BANSAL
Director

DURESH GARG
Director

Place : Mumbai
Date : 31st May, 2013



Cupid Medical & Research Centre Pvt. Ltd.

ANNEXURE 'A'

I Registration Details	
(i) Registration No. (CIN No.)	U85100MH2008PTC186423
(ii) State Code No.	11
(iii) Balance Sheet Date	31-03-2013
II CAPITAL RAISED DURING THE YEAR (Amount in Rs.)	
(i) Public Issue	-
(ii) Right Issue	-
(iii) Bonus Issue	-
(iv) Private Placement / Warrants	-
III POSITION OF MOBILISATION & DEVELOPMENT OF FUND (Amount in Rs.)	
(i) Total Equity and Liabilities	81,836
(ii) Total Assets	81,836
EQUITY AND LIABILITIES	
(i) Share Capital	100,000
(ii) Resrve and Surplus / Profit and Loss A/c (Debit)	(20,415)
(iii) Money Recd Against Shares Warrant	-
NON CURRENT LIABILITES	
(iv) Long Term Borrowings	-
(v) Net Deferred Tax (Net Liability)	-
CURRENT LIABILITIES	
(vi) Short Term Borrowings	-
(vii) Trade Payables	-
(viii) Other Current Liabilities	-
(ix) Short Term Provisions	2,251
ASSETS	
NON CURRENT ASSETS	
(i) Fixed Assets	-
(ii) Non Current Investments	-
(iii) Other Non Current Assets	-
CURRENT ASSETS	
(iv) Inventories	-
(v) Trade Receivables	-
(vi) Cash and Cash Equivalents	69,433
(vii) Short Term Loans and Advances	-
(viii) Other Current Assets	12,403
IV Performance of Company (Amount in Rs.)	
(i) Turnover (including other income)	-
(ii) Total Expenditure	5,309
(iii) Profit / (Loss) Before Tax	(5,309)
(iv) Profit / (Loss) After Tax	(5,309)
(v) Earning Per Share (Amount in Rs.)	-
(vi) Divident Rate (%)	-
V Generic Names of Principal Product of Company (as per monetary terms)	
(i) Item Code No.	N. A.
Products Description	Medical Research