



# CUPID LIMITED

*We help the world play safe...*









## CHAIRMAN'S STATEMENT

### **Fellow Shareholders,**

In Spite of low growth of the industry, your company has made a history by achieving highest ever revenue since its inception during the Financial Year ended 31<sup>st</sup> March, 2015. Your Company's products have been well conceived in the International Markets as your Company is Pre-Qualified by World Health Organisation (WHO) and United Nation Population Fund (UNFPA) for supply of Male and Female Condoms.

Your Company continues to explore for additional customers in new geographies. My fellow shareholders will be happy to know that your Company is only the First Company in India and Second Company in the world, Pre-qualified by WHO/UNFPA to supply FEMALE CONDOMS (Source: UNFPA website.) Demand for Female condom is increasing to prevent sexually transmitted infections STIs including HIV and to prevent unintended pregnancy. Your company's products have been well accepted in more than 25 countries throughout the world and is in the process of adding new products like Lubricant Jelly.

### **Financial Front :**

Your Company reported net revenue of Rs. 45.14 crores in FY 2014 -15 ( up by 130 % from the Previous Financial Year) and the net Profit before tax and after tax also improved significantly from Rs. 10.79 lacs and Rs. 5.19 lacs to Rs. 1143.65 lacs and Rs. 770.82 lacs respectively.

Your Company also achieved another landmark by remaining debt free during the year.

Your Company has also declared the first interim dividend @1.00 rupee per share at their board meeting held on 17<sup>th</sup> January, 2015. Based on the improved performance, the board has further approved final dividend of Rs. 0.50 per equity share at their board meeting on 18<sup>th</sup> May, 2015 for the financial year ended 31<sup>st</sup> March, 2015, which will be subject to approval of shareholders at the ensuing Annual General Meeting.

### **Business Outlook and Strategy:**

Your company's products are well accepted in the local and international markets. This is mainly due to timely delivery of the orders received during the year. The contraceptive market is projected to grow at approximately 20% per year and your company is well prepared to capitalize on it. Your Company also expects to expand the sale of Female and Male condoms to new geographic areas in South America, Europe and Central Asia

In the year ahead, we are looking for a growth of 15-20% based on existing orders in hand and additional orders expected from the existing and new customers due to our good quality products and timely delivery.

This year your company has started to sale its products on e-commerce sites ensuring the reach of our products to people in remote areas. Your Company is also creating awareness and promotion of Condoms through the social media platforms.

### **Creation of Wealth for Shareholders:**

**It was a Very Good Year for this company and will continue to work with passion to further improve the value for all the stakeholders.**

### **Acknowledgments :**

On behalf of Company, I would like to thanks the senior management and staff of the Company, who have worked hard for the growth and stayed with the company specially during the lean period. I am also grateful to my fellow directors for their continued guidance, advice and foresight that helped in achieving the growth. I would also like to extend my heartfull gratitude and thanks to our valued customers and suppliers for their faith in our product and services, we provide.

Finally, my thanks to all our shareholders for their continued trust and confidence in the company. With your support, we are confident of keeping up the growth momentum and hope to report even better results in coming years.

**THANKS & BEST WISHES**

**OMPRAKASH GARG**  
Chairman



## **22nd ANNUAL REPORT 2014 - 2015**

### **BOARD OF DIRECTORS**

#### ***CHAIRMAN & MANAGING DIRECTOR***

Shri Omprakash Chhangamal Garg

#### ***WOMAN DIRECTOR***

Smt. Veena Omprakash Garg

#### ***INDEPENDENT & NON EXECUTIVE DIRECTORS***

Shri Pradeep Kumar Jain

Shri Jandhyala L. Sarma

### **REGISTERED OFFICE & FACTORY ADDRESS**

A-68, M.I.D.C., Sinnar, Malegaon,

Nasik District, Maharashtra, India, Pin code 422113.

CIN No. : L25193MH1993PLC070846

Tel : 02551-230 280 / 230 772

Email : corporateaccounts@cupidlimited.com / cupid\_bom@yahoo.co.in

Website : www.cupidltd.in

### **AUDITORS**

#### ***Bhatter & Co.***

Chartered Accountants

Mumbai

### **SECRETARIAL AUDITORS**

#### ***CS Shailesh Kachalia***

Practicing Company Secretary

Mumbai

### **COMPLIANCE OFFICER**

Shri Omprakash Chhangamal Garg

### **REGISTRARS & SHARE TRANSFER AGENTS**

#### **Bigshare Services Private Limited**

CIN No : U99999MH1994PTC076534

E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka,  
Andheri (East), Mumbai – 400 072.

Tel : 022-4043 0200

Email : investor@bigshareonline.com

Website : www.bigshareonline.com

### **BANKERS**

Kotak Mahindra Bank Limited

HDFC Bank Limited

State Bank of India



## **NOTICE**

Notice is hereby given that the 22<sup>nd</sup> Annual General Meeting of the Shareholders of CUPID LIMITED will be held on Monday 28<sup>th</sup> September 2015, at A-68, M. I. D. C., (Malegaon), Sinnar, Nashik, Maharashtra - 422113 at 10.00 a. m. to transact the following business :-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2015 and the Report of the Directors and the Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri Omprakash Chhangamal Garg ( DIN: 00140756 ), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

### **SPECIAL BUSINESS**

5. To appoint Smt. Veena Garg ( DIN No – 03456648 ), as Director liable to retire by rotation and to pass the following resolution as an Ordinary Resolution :

“ RESOLVED THAT pursuant to the provisions of Sections 152 and 161 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Smt. Veena Garg ( DIN No – 03456648 ) who has been appointed as Additional Director by the Board of Directors at their meeting held on 28<sup>th</sup> October, 2014 and further as required by Section 149 and Clause 49 of Listing Agreement as Woman Director and who holds office upto the date of Annual General Meeting and in respect of whom the Company has received notice in writing under Section 160 the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director liable to retire by rotation.

6. To appoint Shri Jandhyala Lakshminarayana Sarma ( DIN No – 00004627 ), as an Director not liable to retire by rotation and to pass the following resolution as an Ordinary Resolution :

“ RESOLVED THAT pursuant to the provisions of Sections 152 and 161 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Shri Jandhyala Lakshminarayana Sarma ( DIN No – 00004627 ), who has been appointed as Additional Director by the Board of Directors at their meeting held on 28<sup>th</sup> October, 2014 and who holds office upto the date of Annual General Meeting and in respect of whom the Company has received notice in writing under Section 160 the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director not liable to retire by rotation.

7. To appoint Shri Jandhyala Lakshminarayana Sarma ( DIN No – 00004627 ), as an Independent Director and in this regard, to pass the following resolution as an Ordinary Resolution :

“ RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ( “ the Act ” ) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Shri Jandhyala Lakshminarayana ( DIN No – 00004627 ), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 ( five ) consecutive years for a term up to 27<sup>th</sup> October, 2019.”



8. To pass, the following resolution as a Special Resolution :

“ RESOLVED THAT registers required to be kept and maintained by a Company under section 88 and copies of Annual Returns prepared by the Company under section 92 of Companies Act, 2013 the Company hereby accords its approval under section 94 of the Companies Act, 2013 that the Register of Members and copies of Annual Returns prepared under Section 88 and 92 together with the copies of certificates and documents required to be annexed thereto or any one or more of them, be kept at the office of Company's Registrars and Share Transfer Agent, viz., M/s. Bigshare Services Pvt Ltd, E – 2/3, Ansa Industrial Estate, Saki Naka, Andheri (East), Mumbai – 400072 instead of being kept at the Registered Office of the Company”.

9. To pass, the following resolution as a Special Resolution :

“ RESOLVED THAT pursuant to sections 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 and the Companies ( Appointment and Remuneration of Managerial Personnel ) Rules, 2014 and subject to the approval of the Centre Government approval of the Company be and is hereby accorded for continuation and payment of remuneration to Shri Omprakash Garg, whole time director of the Company from 1<sup>st</sup> April 2015 to 19<sup>th</sup> July 2016 being the remaining period of the term of his appointment to Act as Whole - time Director as approved by Centre government vide their Letter ref no : - SRN No. B22338693 / 4 / 2011 – CL. VII dated 9<sup>th</sup> February, 2012 and further approved by Nomination and Remuneration Committees as per the following details :-

**SALARY :**

Consolidated month Salary of INR. 3,00,000.

**PERQUISITES :**

Perquisites should be allowed in addition to the salary but within the overall limit, if any, prescribed under Schedule V of the Companies Act, 2013, as amended from time to time. The perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rules, at actual cost.

**a) Housing :**

House Rent Allowance shall be allowed as per the rules of the Company within the overall limit specified above.

**b) Medical Reimbursement :**

Expenses incurred for the appointee and his family subject upto to a ceiling of three month's salary in a year or fifteen month's salary over a period of five years.

**c) Leave Travel Assistance :**

First Class Air Fare for self and family once in a year to any destination. Family defined as spouse and two dependent children.

**d) Club Fees :**

Fees and expenses at clubs subject to a maximum of two clubs. This will not include life membership fees.

**e) Personal accident insurance :**

As per rules of the Company

**f) Car / Telephone :**

Car with driver for use on Company's business and telephone facilities at residence will be provided to the appointee Personal. Long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee. The aforesaid remuneration will be subject to the limit of 5% of the net profits as laid down under section 197 of the Companies Act, 2013.



**Minimum Remuneration :**

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Shri Omprakash Garg, the Company has no profits or the profits of the Company are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above.

“ RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

10. To pass the following resolution as an Ordinary Resolution:

“ **RESOLVED THAT** pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies ( Audit & Auditors ) Rules 2014 ( including any statutory modification (s) or re-enactment thereof, for the time being in force) Cost Auditors 'Raghunath Vijay Gadre' having Membership No. : M-16096 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016 on such remuneration as may be agreed upon by the Board of Directors and the Auditors.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**For and on behalf of the Board of the Directors**

**OMPRAKASH GARG**

Chairman & Managing Director

DIN No. : 00140756

CIN No. : L25193MH1993PLC070846

Website : [www.cupidltd.in](http://www.cupidltd.in)

Email : [corporateaccounts@cupidlimited.com](mailto:corporateaccounts@cupidlimited.com)

**REGISTERED OFFICE**

A - 68, M. I. D. C. (Malegaon), Sinnar, Nasik,  
Maharashtra- 422 113.

Place : Mumbai

Date : 12<sup>th</sup> August, 2015





## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE " MEETING ") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, ON POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the Proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.

2. The Register of Members and Share Transfer Register of the Company will remain closed from 21<sup>st</sup> September, 2015 to 28<sup>th</sup> September, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
3. The dividend on Equity Shares, if declared at the Meeting, will be credited on Monday 19<sup>th</sup> October, 2015 / dispatched by Monday 26<sup>th</sup> October, 2015 to those members whose names shall appear on the Company's Register of Members' on Monday 28<sup>th</sup> September, 2015; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited as beneficial owners as on that date.

4. Members holding share in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend.

The Company or its Shares Department ( M/s. Bigshare Services Pvt Ltd – Bigshare ), cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.

5. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.

Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or M/s Bigshare Services Pvt Ltd (Bigshare) , E – 2/3, Ansa Industrial Estate, Saki Naka, Andheri (East), Mumbai – 400072.

6. Documents referred to in any of the items in the Notice are available for inspection at the Registered Office of the Company on any working day during Business Hours of the Company between 10.00 a.m. to 1.00 p.m.
7. Queries on accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the meeting so that the answers may be made available at the meeting.
8. Members are requested to bring their copy of this Annual Report at the Meeting.
9. Members/Proxies should bring the 'Attendance Slip' duly filled in for attending the Meeting.
10. The Securities and Exchange Board of India ( SEBI ) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their Pan to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Bigshare Services Pvt Ltd.

11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained by a letter communicated to the Company / Bigshare Services Pvt Ltd.

12. Non-Resident Indian Members are requested to inform ( Bigshare ) immediately of
  - (a) Change in their residential status on return to India for permanent settlement.



- (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. In terms of Section 152 of the Companies Act, 2013, Shri Omprakash Garg ( DIN : 00140756 ), Director retire by rotation at the Meeting and being eligible, offer himself for reappointment. Smt. Veena Garg (DIN : 03456648) and Shri Jandhyala Lakshminarayana Sarma ( DIN No – 00004627 ) were appointed as additional directors holding office upto the date of Annual General Meeting.

The Board of Directors of the Company commend their respective re-appointments. Brief resume of Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

14. **Members who have not registered their email address so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, and other from the Company electronically.**

15. **Information and other instructions relating to e-voting are as under :-**

- (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- (ii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not casted their votes by availing the remote e-voting facility.
- (iii) The members who have casted their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (iv) The Company has engaged the services of M/s. Central Depository Services Limited as the Agency to provide e-voting facility.
- (v) The Board of Directors of the Company has appointed Shri Shailesh Kachalia, a Practicing Company Secretary, Mumbai as Scrutinizer to scrutinise the Ballot Paper Voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- (vi) **Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 21<sup>st</sup> September, 2015.**
- (vii) **A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 21<sup>st</sup> September, 2015 only shall be entitled to avail the facility of remote e-voting / Ballot Paper Voting.**
- (viii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 21<sup>st</sup> September, 2015 may obtain the User ID and password in the manner as mentioned at point on 16 of the Notice or write a email to helpdeskevoting@cdslindia.com
- (ix) **The remote e-voting facility will be available during the following period :**
- The voting period begins on 24<sup>th</sup> September, 2015 at 9.00 a.m. and ends on 27<sup>th</sup> September, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.**



- (x) The Scrutinizer, after scrutinising the votes cast at the meeting through Ballot Paper Voting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company "www.cupidltd.com" and on the website of M/s. Central Depository Services Limited "www.evotingindia.com". The results shall simultaneously be communicated to the Stock Exchanges.
  - (xi) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 28<sup>th</sup> September, 2015.
16. The instructions for shareholders voting electronically are as under:
- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (ii) Click on "SHAREHOLDERS" TAB.
  - (iii) Now Enter your User ID
    - (a) For CDSL: 16 digits beneficiary ID,
    - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (iv) Next enter the Image Verification as displayed and Click on Login.
  - (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vi) If you are a first time user follow the steps given below:

<b>For Members holding shares in ' Demat Form ' and ' Physical Form '</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <b>SHAREHOLDERS WHO HAVE NO UPDATED THEIR PAN :-</b> <ul style="list-style-type: none"><li>a Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li><li>b In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number R000141 then enter RA0R000141 in the PAN field.</li></ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"><li>a Please enter the DOB or Dividend Bank Details in order to login.</li><li>b If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</li></ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
  - (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
  - (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
  - (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
  - (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xvii) **NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS**
    - (a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
    - (b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - (c) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - (d) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - (e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
17. Pursuant to Section 102 of the Companies Act, 2013, the Explanatory Statement sets out material facts relating to the business under items No. 5 to 10 accompany Notice.





**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”) :**

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice :

**Item No. 5 :**

The Board of Directors' had appointed Smt. Veena Garg ( DIN No. – 03456648 ), as additional Director of the Company at their meeting held on 28<sup>th</sup> October, 2014. Further Smt. Veena Garg was appointed as required by Section 149 and Clause 49 of Listing Agreement as Woman Director. Smt. Veena Garg holds office of the Director of the Company as per provision of section 161 (1) of the Companies Act, 2013 upto the date of ensuing Annual General Meeting.

A notice under section 160 (1) of the Act has been received from the member of the Company alongwith the deposit of requisite amount proposing the candidature of Smt. Veena Garg as Directors of the Company liable to retire by rotation.

Smt. Veena Garg aged of 63 years, is wife of Shri Omprakash Garg and closely associated with the business of Shri Omprakash Garg. She supports him in decision making and add support and confidence in the business doing to Shri Omprakash Garg.

Brief details of Smt. Veena Garg are as below :-

Age : 63 years

Qualifications : B.A.

Experience : 20 years experience in management and administration.

Date of first appointment on Board : 28<sup>th</sup> October, 2014.

Shareholding in the Company : 777,500 equity share of Company.

Relationship with other Directors : Wife of whole time director Shri Omprakash Garg.

Other Directorships : NIL

Other Memberships of Committees of Other Boards : NIL

Other Chairmanships of Other Boards : NIL

No of Board meetings attended during the year : 3 board meeting

Last Drawn remuneration from Company : NIL

Except Smt. Veena Garg and Shri Omprakash Garg being her relative non of the other Directors / Key Managerial Personnel (KMP) / their relatives are in any way concerned or inserted financially or otherwise in the resolution set-out at ITEM No. 5 of the notice of the meeting.

The Board recommends the ordinary resolution set out at ITEM No. 5 of the notice for approval by the Members'.

**Item No. 6 :**

The Board of Directors' had appointed Shri Jandhyala Lakshminarya Sarma ( Din No. – 00004627 ), as additional Director of the Company at their meeting held on 28<sup>th</sup> October, 2014.

Shri Jandhyala Lakshminarya Sarma ( Din No. – 00004627 ), as additional Director holds office of the Director of the Company as per provision of section 161 (1) of the Companies Act, 2013 upto the date of ensuing Annual General Meeting.

A notice under section 160 (1) of the Act has been received from the member of the Company alongwith the deposit of requisite amount proposing the candidature of Shri Jandhyala Lakshminarya Sarma as Directors of the Company not liable to retire by rotation.

Brief profile of Shri Jandhyala Lakshminarya Sarma,

Shri Jandhyala L. Sarma is aged of 76 years has experience in various business industries and provide valuable guidance to the Company from time to time. He is associated with company as Independent Director.



Brief details of Shri Jandhyala Lakshminarya Sarma are as below :-

Age : 76 years

Qualifications : Ph.D.

Experience : 30 years experience in merchant banking activities and various business industries.

Date of first appointment on Board : 28<sup>th</sup> October 2014.

Shareholding in the Company : Nil

Relationship with other Directors : Independent Director

Other Directorships : NIL

Other Memberships of Committees of Other Boards : NIL

Other Chairmanships of Other Boards : NIL

No of Board meetings attended during the year : 3 Board meeting

Last Drawn remuneration from Company : NIL

None of the other Directors / Key Managerial Personnel (KMP) / their relatives are in any way concerned or inserted financially or otherwise in the resolution set-out at ITEM No. 6 of the notice of the meeting.

The Board recommends the ordinary resolution set out at ITEM No. 6 of the notice for approval by the Members'.

**Item No. 7 :**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had appointed Shri Jandhyala Lakshminarya Sarma (Din No. – 00004627) be appointed as an Independent Director of the Company. The appointment of Shri Jandhyala Lakshminarya Sarma shall be effective upon approval by the members' in the Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 (1) of the Act proposing the candidature of Shri Jandhyala Lakshminarya Sarma for the office of Director (Independent) of the Company.

Shri Jandhyala Lakshminarya Sarma in not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Shri Jandhyala Lakshminarya Sarma that he meets the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Shri Jandhyala Lakshminarya Sarma fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement Shri Jandhyala Lakshminarya Sarma is independent of the management and possesses appropriate skills, experience and knowledge.

Shri Jandhyala Lakshminarya Sarma, does not hold any shares of the Company in his name.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri Jandhyala Lakshminarya Sarma, is appointed as an independent Director of the Company.

Copy of the draft letter for appointment of Shri Jandhyala Lakshminarya Sarma, as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Shri Jandhyala Lakshminarya Sarma, and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel (KMP) / their relatives are in any way concerned or interested financially or otherwise in the resolution set-out at ITEM No. 7 of the notice of the meeting.

The Board recommends the ordinary resolution set out at ITEM No. 7 of the notice for approval by the Members'.



**Item No. 8 :**

The Company has appointed M/s. Bigshare Services Private Limited, E – 2/3, Ansa Industrial Estate, Saki Naka, Andheri (East), Mumbai – 400072 as its Share Transfer Agents. The Registered office of the company is situated at Nashik District.

As per section 88, of the Companies Act, 2013 ( ACT ) Register of Members', Debenture Holders and related documents and copies of annual return under section 92 of the Act should be kept at registered office. However with the approval of the shareholders by way of passing special resolution the same can be maintained at a place other than registered offices of the Company as provided under section 94 of the ACT.

The Board of Directors recommend to the Members' to give their permission by passing special resolution.

None of the Directors / Key Managerial Personnel (KMP) / their relatives are in any way concerned or interested financially or otherwise in the resolution set-out at ITEM No. 8 of the notice of the meeting.

**Item No. 9 :**

The Board of Directors of the Company at their meeting held on 14<sup>th</sup> March 2015 approved the payment of Remuneration to Shri Omprakash Garg ( DIN : 00140756 ) on the remaining period of his appointment based on the recommendation of the Nomination and Remuneration Committee as per the details mentioned in the notice.

However, your approval by way of Special Resolution is required and also the Approval of the Central Government under section 196 and Schedule V of the Companies Act, 2013.

Keeping in view that Shri Omprakash Garg, has rich and varied experience in the industry and has been involved in the operations of the Company, It would be in the interest of the Company to continue the employment of Shri Omprakash Garg as Chairman and Managing Director.

Accordingly, approval of the members is sought for passing the Special Resolution as set out at item No 9 of the Notice.

Brief profile of Shri Omprakash Garg,

Shri Omprakash Garg is aged 71 years is promoter of the Company and is associated with the Company since inception of the Company. He has wide experience in the field of Metal business and healthcare products.

Brief details of Shri Omprakash Garg are as below :-

Age : 71 years

Qualifications : M. Sc.

Experience : 45 years in Metal business and healthcare products.

Date of first appointment on Board : 16<sup>th</sup> Aug 1994

Shareholding in the Company : 1593900 equity shares

Relationship with other Directors : Husband of Smt. Veena Garg.

Other Directorships : NIL

Other Memberships of Committees of Other Boards : NIL

Other Chairmanships of Other Boards : NIL

No of Board meetings attended during the year : 7 Board Meetings

Last Drawn remuneration from Company : NIL

Shri Omprakash Garg and Smt. Veena Garg being his relative is interested in the resolution set out at item no. 9 of the Notice. The relatives of Shri Omprakash Garg may be deemed to be interested in the resolution set out at item no. 9 of the notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel (KMP) / their relatives are in any way concerned or interested financially or otherwise in the resolution set-out at ITEM No. 9 of the notice of the meeting.

The Board of Directors recommend to the Members' to give their permission by passing special resolution.



**Item No. 10 :**

The Board of Directors' on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at the Item No. 10 of the Notice for ratification of the remuneration payable to the Cost Auditors' for the financial year ending 31<sup>st</sup> March, 2016.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 10 of the Notice of Annual General Meeting.

The Board of Directors commends the Ordinary Resolution set out at Item No. 10 of the Notice for approval by the members.

**For and on behalf of the Board of the Directors**

**OMPRAKASH GARG**

Chairman & Managing Director

DIN No. : 00140756

CIN No. : L25193MH1993PLC070846

Website : [www.cupidltd.in](http://www.cupidltd.in)

Email : [corporateaccounts@cupidlimited.com](mailto:corporateaccounts@cupidlimited.com)

**REGISTERED OFFICE**

A - 68, M. I. D. C. (Malegaon), Sinnar, Nasik,  
Maharashtra- 422 113.

Place : Mumbai

Date : 12<sup>th</sup> August, 2015



**DIRECTORS' REPORT & MANAGEMENT DISCUSSION & ANALYSIS**

To,  
The Members,

The Board of Directors is pleased to present herewith the 22<sup>nd</sup> Annual Report of your Company together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2015. The Management Discussion and Analysis has also been incorporated into this report.

**FINANCIAL RESULTS**

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

<b>Particulars</b>	<b>(Rs. in Lacs)</b>	
	<b>For the year ended 31<sup>st</sup> March 2015</b>	<b>For the year ended 31<sup>st</sup> March 2014</b>
Operating Revenues / Turnover	<b>4,514.19</b>	1,962.12
<b>Profit before Depreciation &amp; Amortization, Finance charges</b>	<b>1,352.90</b>	208.54
Depreciation & Amortization	<b>183.21</b>	150.64
Finance Charges	<b>26.05</b>	47.11
<b>Profit / (Loss) before tax</b>	<b>1,143.64</b>	10.79
Provision for taxation (incl. deferred tax)	<b>372.83</b>	5.60
<b>Profit / (Loss) after tax</b>	<b>770.81</b>	5.19

Operating Revenues for the year under report had been the highest ever before, increased by around 130.07 % to Rs. 4,514.19 Lacs as compared to Rs. 1,962.12 Lacs in 2013-14.

Profit after tax for the year increased to Rs. 770.81 Lacs as compared to Rs.5.19 Lacs in 2013-14.

**FUTURE PROSPECTS**

Over the medium-term revenue is expected to grow 15-20 % per year. This will be mainly due to increased sale of female condoms in new geographies. Also large orders are expected for Female Condoms from Ministry of Health of South Africa, India and UNFPA in financial year 2015-16 and 2016-17.

Future growth is expected to carry on mainly from increased sales of its Female and Male Condoms from existing and new customers and development of new value added products. Further Company is exploring the possibility of adding more products, related to women's health and wellness during the coming period.

**DIVIDEND**

Your Board of Directors' had declared interim dividend for Re. 1 ( i. e. 10% ) per equity shares at their meeting held on 17th January, 2015.

Further Board of Directors' have recommended final dividend of Re. 0.50 ( i. e. 5% ) per equity shares at their meeting held on 18th May 2015 for the financial year ended 31 March, 2015. The final dividend payout is subject to approval of members at the ensuing Annual General Meeting. The dividend will be paid to members whose name appears in register of members as on the record date on 28th September, 2015.

**RESERVES**

The whole of profit after tax has been transferred to Profit & Loss account. Interim Dividend is paid from the Profit & Loss account and Final dividend recommended by board of directors shall be paid from the Profit & Loss account. There is no other amount that has been proposed to be carried to any other reserves.

**SHARE CAPITAL**

The paid up Equity Share Capital as at 31st March, 2015 at Rs. 11,11,50,000 ( Eleven Crores Eleven Lacs and Fifty Thousand Only ). During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options as sweat equity. As on 31st March 2015, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

**FINANCE AND ACCOUNTS**

Your Company prepares its financial statements in compliances with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and Cash Flows for the year ended 31st March, 2015. There is no audit qualification in financial statements by the statutory auditors for the year under review.

**LOANS, GUARANTEES & INVESTMENTS**

Details of loan, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

**DEPOSITS**

The Company has never accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, or under Chapter V of the Act.

**RELATED PARTY TRANSACTIONS**

The Company has not entered into any contracts or arrangements with related parties referred to in Section 188(3) of the Companies Act, 2013. There are no transactions with related parties except those indicated out in notes to accounts.

The related party transactions policy as approved by the Board is uploaded on the Company's website at the following web link

[http://www.cupidltd.in/wp-content/uploads/2015/06/05\\_001\\_CG\\_Related\\_Party.pdf](http://www.cupidltd.in/wp-content/uploads/2015/06/05_001_CG_Related_Party.pdf)

**INTERNAL FINANCIAL CONTROLS**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

**RISK MANAGEMENT POLICY**

There is a continuous process for identifying, evaluating and managing significant risks faced through a risk management process designed to identify the key risks facing business. During the year a risk analysis and assessment was conducted and no major risks were noticed.

The policy is uploaded on the website of the company and weblink of same is :

[http://cupidltd.in/wp-content/uploads/2015/06/01\\_002\\_CG\\_Risk\\_Management.pdf](http://cupidltd.in/wp-content/uploads/2015/06/01_002_CG_Risk_Management.pdf)

**PERFORMANCE EVALUATION OF BOARD**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The same is found to be satisfactory.

**Familiarisation Programme for Independent Directors' :-**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and affirmation taken with respect to the same.

The Chairman and Managing Director also has one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

The Company's Policy of conducting the Familiarisation program has been disclosed on the website of the Company at [http://www.cupidltd.in/wp-content/uploads/2015/06/07\\_002\\_FAMILIARIZATION-PROGRAM.pdf](http://www.cupidltd.in/wp-content/uploads/2015/06/07_002_FAMILIARIZATION-PROGRAM.pdf)



## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Omprakash Garg, Chairman and Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers himself for re-appointment.

Board of Director's accepted the resignation tendered by Mr. Raju Subbha Sagi due to his business commitments and personal reasons w. e. f. 14th March 2015.

Mrs. Veena Garg has been appointed as an additional Woman Director w. e. f. 28th October, 2014, proposed to be approved by members in the ensuing Annual General Meeting as an Woman Director. Also, Mr. Jandhyala Lakshminayana Sarma has been appointed as an Additional Director w. e. f. 28th October 2014. Company re-designated him as Additional Director (Independent) w. e. f. 17th January 2015 proposed to be approved by members in the ensuing

Annual General Meeting as an Independent Director.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

'Appointment Letters' of Independent Directors and 'Familiarization Program' process to provide insights of the Company to Independent Directors are hosted on website of the Company.

## **BOARD MEETINGS**

During the year under review, the Company has conducted 7 Board Meetings on the following dates : 29th May 2014; 06th August 2014; 19th August 2014; 28th October 2014; 22nd December 2014; 17th January 2015 and 14th March 2015. The intervening gap Meetings was within the period prescribed under the Companies Act, 2013.

## **STATUTORY AUDITORS**

M/s. Bhattar & Co., Chartered Accountants, Chartered Accountants, being eligible, offer themselves for re-appointment. If re-appointed, it will be within the prescribed limits specified in Section 139 of the Companies Act, 2013. Members are requested to appoint the auditors and to fix their remuneration.

## **SECRETARIAL AUDIT**

As required under Section 204 of the Companies Act, 2013, Secretarial Audit Report as obtained from Mr. Shailesh Kachalia, Practising Company Secretary is annexed and forms part of the Board Report.

## **OBSERVATIONS – STATUTORY AUDITOR & SECRETARIAL AUDITOR**

There are no qualifications contained in the Auditors Report. As mentioned in the Secretarial Audit Report regarding non compliance of Section 203 of the Companies Act 2013 in respect of appointment of Company Secretary and Chief Financial Officer we would like to state that we have made efforts to appoint them but we could not get the proper candidates and we assure that we will comply the same at the earliest.

Due to oversight the Company has not filled cost audit report for the year ended 31<sup>st</sup> March 2014. The Company will file by paying additional fees.

## **EXTRACT OF ANNUAL RETURN**

The extract of Annual Return in Form No. MGT-9, as provided under sub-section (3) of Section 92 of the Companies Act, 2013, is annexed and forms part of the Board Report.

## **MATERIAL CHANGES AND COMMITMENTS**

There are no material changes having taken place affecting the financial position of the Company from the date of closure of financial year till the signing of Accounts.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS.**

There are no significant and material orders passed by the Regulations / courts that would impact the going concern status of the Company and its future operations.



## **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION**

A) Conservation of Energy :-

- i. The Company has taken all effective steps to conserve the energy by installing latest equipments for conservation of energy. As a stand-by arrangement in case of no supply of electricity of the Company has installed generator set.
- ii. The cumulative effect of the Energy conversations steps taken by the Company has considerably reduced the consumption of Energy and saved the cost of the Company.
- iii. The Company is not required to mention per unit consumption of Energy in " form A " .

B & C ) Technology Absorption and Expenditure on Research & Development :-

The Company has deployed indigenous technology to manufacture its 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 EARNINGS AND OUTGO**

The Company has earned foreign exchange of Rs. 3560.87 Lacs (Previous year Rs. 931.72 Lacs) through exports, whereas the Company paid / payable foreign exchange of Rs. 67.65 Lacs (Previous Year Rs. 21.62 Lacs) towards machinery / equipments. Further payments made in foreign exchange of Rs. 59.74 Lacs (Previous Year Rs. NIL Lacs) towards other expenses.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Company has constituted a Corporate Social Responsibility ( CSR ) Committee in compliance with the provisions of Section 135 of the Companies Act, 2013. The CSR committee was constituted by the Board of Directors of the Company at its meeting held on 18<sup>th</sup> May, 2015. On the recommendation of the CSR committee, the Board has approved the CSR policy of the Company, which is published on the Company's website.

As the company was not covered by section 135 of the Companies Act, 2013 during the year under review, the Company has not spent any amount on CSR activities. The policy is uploaded on the website of the company and weblink of same is : [http://cupidltd.in/wp-content/uploads/2015/08/05\\_001\\_CG\\_01CSR-Policy.pdf](http://cupidltd.in/wp-content/uploads/2015/08/05_001_CG_01CSR-Policy.pdf)

## **INDUSTRY STRUCTURE & DEVELOPMENTS, OPPORTUNITIES & THREATS, SEGMENTWISE PERFORMANCE, OUTLOOK, RISKS & CONCERNS**

The Company is engaged in activities of manufacturing and suppliers of Male and Female contraceptives (condoms).

The Company's products are well accepted in the local and international market and been pre-qualified by WHO/UNFPA. The Company is marketing its products through local distribution network and has successfully executing tender





awarded by United Nations Population Fund (UNFPA) and Ministry of Health, Government of India.

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. The Indian contraceptive market is highly fragmented – there are over 200 contraceptive brands, most of them are regional. Assuming an industrial growth of 8 to 10 % will absorb Company's entire production capacity. The Company is also penetrating new market in the International and Domestic front.

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.

Company is exposed to specific risks that are particular to its business, including Climatic conditions, Economic and Political cycle, Currency rate volatility, Interest rate volatility and Credit risks in India and Internationally. The management continuously assesses the risks and monitors the business and risk management policies to minimize the risk.

### **CORPORATE GOVERNANCE**

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Company's auditors confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is annexed thereto.

### **AUDIT COMMITTEE**

The Audit Committee has been reconstituted on 14th March 2015. The Audit Committee now headed by Shri Pradeep Kumar Jain as Chairman of the committee. Shri Omprakash Garg, and Shri Jandhyala L. Sarma as Members. The details of all related party transactions, if any, are placed periodically before the Audit Committee. During the year there were no instances where the Board had not accepted the recommendations of the Audit Committee.

### **NOMINATION AND REMUNERATION COMMITTEE**

The Company has Nomination and Remuneration Committee pursuant to Section 178(1) of the Companies Act, 2013 and has defined the policy on Directors' and Senior Managements' appointment and payment of remuneration including criteria for determining their qualifications, positive attributes and independence of a Director. The Committee was has been reconstituted on 14<sup>th</sup> March 2015. The Nomination and Remuneration Committee now headed by Shri Pradeep Kumar Jain as Chairman of the committee. Shri Omprakash Garg, and Shri Jandhyala L. Sarma as Members.

The policy is uploaded on the website of the company and weblink of the same is

[http://cupidltd.in/wp-content/uploads/2015/06/05\\_003\\_CG\\_Nomination\\_Remuneration.pdf](http://cupidltd.in/wp-content/uploads/2015/06/05_003_CG_Nomination_Remuneration.pdf)

### **VIGIL MECHANISM**

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. It ensures that strict confidentiality is maintained whilst dealing with concerns and also no discrimination will be meted out to any person for a genuinely raised concern. Any suspected or confirmed incident of fraud / misconduct can be reported thereof.

The Whistle Blower policy is placed on website of the company and weblink of the same is

[http://cupidltd.in/wp-content/uploads/2015/06/05\\_002\\_CG\\_Whistlerblower.pdf](http://cupidltd.in/wp-content/uploads/2015/06/05_002_CG_Whistlerblower.pdf)

### **PARTICULARS OF EMPLOYEES**

No employee of the Companies is receiving remuneration as per the limits prescribed in Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **COST AUDITORS**

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying on audit of cost records every year.

The Board of Directors of the Company on recommendation of the Audit Committee has approved the appointment of CMA Raghunath Vijay Gadre having ICMA Membership No. M - 16096 for conducting the audit of the cost records of the Company for the financial year 2015 - 2016 on such remuneration as may be agreed upon by the Board of Directors and the Cost Auditors. A resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.



## **ENVIRONMENT AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

## **DISCLOSURE IN TERMS OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company take all necessary measures to ensure a harassment free workplace and has instituted an Internal Complaints Committee for redressal of complaints and to prevent sexual harassment. No complaints relating to sexual harassment were received during the year.

## **SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES**

'Cupid Medical Research Centre Private Limited' a subsidiary of the Company had been ceased to be Company's subsidiary during the financial year 2014-15.

Thereby Company doesn't have any Subsidiaries or Joint Ventures or Associate companies as on the report date as defined under the Companies Act, 2013.

## **FORWARD LOOKING STATEMENT**

Statements in this report describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements considering the applicable laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand – supply conditions. finished goods prices, raw materials cost and availability fluctuations in exchange rates, change in Government regulations and tax structure within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations. Investors will bear the above in mind.

## **ACKNOWLEDGEMENT**

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from all organizations connected with its business during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of Executives and Staff of the Company. Your Directors are also deeply grateful for the confidence and faith shown by the Shareholders of the Company in them.

**For and on behalf of the Board of the Directors**

**OMPRAKASH GARG**

Chairman & Managing Director  
DIN No. : 00140756

CIN No. : L25193MH1993PLC070846

Website : [www.cupidltd.in](http://www.cupidltd.in)

Email : [corporateaccounts@cupidlimited.com](mailto:corporateaccounts@cupidlimited.com)

## **REGISTERED OFFICE**

A - 68, M. I. D. C. (Malegaon), Sinnar, Nasik,  
Maharashtra- 422 113.

Place : Mumbai

Date : 12<sup>th</sup> August, 2015



## **ANNEXURE TO DIRECTORS' REPORT**

### **SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**

#### **Form No. MR-3**

[Pursuant to section 204(1) of the Companies Act, 2013

and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

**CUPID LIMITED, NASHIK.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cupid Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):—
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (Not applicable to the Company during the Audit Period)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014; (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).



- (i) Drugs & Cosmetics Act, 1940 & Rules 1945. ( Under Food & Drugs Administration, Maharashtra )
- (j) Drugs ( Price Controls ) Order 2013 ( Under Food & Drugs Administration, Maharashtra )
- (k) Drugs & Magic Remedies ( objectionable Advertisement ) Act, 1954 & Rules 1955. (Under Food & Drugs Administration, Maharashtra)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the audit period).
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. Subject to below.

1. The Company has not appointed Company Secretary under the provisions of Section 203 of the Companies Act, 2013
2. The Company has not appointed Chief Financial officer under the provisions of Section 203 of the Companies Act, 2013.
3. The Company has not filled Cost Audit Report for the financial year ended 31<sup>st</sup> March 2014, under the provision of section 148 (6) of the Companies Act, 2013

I further report that During the Audit Period, the Company has no specific events /actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above).

**SHAILESH KACHALIA**

Practising Company Secretary

Proprietor

Membership No. 1391 / CP No. 3888

Place : Mumbai

Date : 12th August, 2015



**ANNEXURE TO DIRECTORS' REPORT**

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED 31.03.2015

**FORM NO. MGT - 9**[Pursuant to Section 92(3) of the Companies Act, 2013,  
and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]**I REGISTRATION & OTHER DETAILS:**

i	CIN	L25193MH1993PLC070846
ii	Registration Date	17 <sup>th</sup> February 1993
iii	Name of the Company	Cupid Limited
iv	Category/Sub-category of the Company	Company having Share Capital
v	Address of the Registered office & contact details	A 68, M. I. D. C., (Malegaon), Sinnar Village, Dist. Nashik, Maharashtra, India, Pincode 422113
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Bigshare Services Private Limited. E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400072. Tel 91-22-40430200 / 2847 5207

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Sr. No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Rubber Prophylactics	401410.01	100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

Company does not have any Holding, Subsidiary or Associate companies, as defined under the Companies Act, 2013.


**IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**
**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters Shareholding</b>									
<b>(1) Indian</b>									
a) Individual/HUF	3053900	0	3053900	27.48	3014900	0	3014900	27.12	-0.36
b) Central or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	0	0	0	0	0	0	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL:(A)(1)</b>	<b>3053900</b>	<b>0</b>	<b>3053900</b>	<b>27.48</b>	<b>3014900</b>	<b>0</b>	<b>3014900</b>	<b>27.12</b>	<b>-0.36</b>
<b>(2) Foreign</b>									
a) NRI Individuals	2371400	0	2371400	21.34	2371400	0	2371400	21.34	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>2371400</b>	<b>0</b>	<b>2371400</b>	<b>21.34</b>	<b>2371400</b>	<b>0</b>	<b>2371400</b>	<b>21.34</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>5425300</b>	<b>0</b>	<b>5425300</b>	<b>48.82</b>	<b>5386300</b>	<b>0</b>	<b>5386300</b>	<b>48.46</b>	<b>-0.36</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	3500	3500	0.03	0	3500	3500	0.03	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign VCFs	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>3500</b>	<b>3500</b>	<b>0.03</b>	<b>0</b>	<b>3500</b>	<b>3500</b>	<b>0.03</b>	<b>0</b>



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non Institutions</b>									
a) Bodies corporate	643975	600	644575	5.80	459845	600	460445	4.14	- 1.66
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1804439	185515	1989954	17.90	1881120	183915	2065035	18.58	0.68
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	2609500	0	2609500	23.48	2417660	0	2417660	21.75	- 1.73
c) Others (Specify)									
Clearing Member	14383	0	14383	0.13	24079	0	24079	0.22	0.09
Overseas Bodies Corporate	0	320800	320800	2.88	0	320800	320800	2.88	0.00
Non Resident Indians	56688	50300	106988	0.96	386881	50300	437181	3.94	2.99
<b>SUB TOTAL (B)(2):</b>	<b>5128985</b>	<b>557215</b>	<b>5686200</b>	<b>51.16</b>	<b>5169585</b>	<b>555615</b>	<b>5725200</b>	<b>51.51</b>	<b>0.35</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>5128985</b>	<b>560715</b>	<b>5689700</b>	<b>51.19</b>	<b>5169585</b>	<b>559115</b>	<b>5728700</b>	<b>51.54</b>	<b>0.35</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Grand Total (A+B+C)</b>	<b>10554285</b>	<b>560715</b>	<b>11115000</b>	<b>100</b>	<b>10555885</b>	<b>559115</b>	<b>11115000</b>	<b>100</b>	

**(ii) SHARE HOLDING OF PROMOTERS**

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year		% change in share holding during the year	
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	% of change in share holding during the year
1	Omprakash Garg	1593900	14.34	9.01	1593900	14.34	14.34	-
2	Veena Garg	777500	07.00	0	777500	07.00	0	
3	Sureshchand Garg	2735651	24.61	0	2735651	24.61	0	-
4	Sureshchand Garg HUF	318249	02.86	0	278249	02.50	0	(0.36)
5	Abha Garg	-	-	0	1000	0.01	0	0.01
	<b>Total</b>	<b>5425300</b>	<b>48.81</b>	<b>9.01</b>	<b>5386300</b>	<b>48.46</b>	<b>14.34</b>	<b>(0.35)</b>


**(iii) Change In Promoters' Shareholding ( Specify If There Is No Change)**

	PARTICULARS	Change in Share holding during the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Sureshchand Garg HUF</b>				
	<b>At the beginning of the year</b>	318249	02.86		
	TRANSFER on 17-10-2014	(-) 25000	0.22	293249	2.64
	TRANSFER on 24-10-2014	(-) 10000	0.09	283249	2.55
	TRANSFER on 31-10-2014	(-) 5000	0.05	278249	02.50
	<b>At the end of the year</b>	<b>278249</b>	<b>02.50</b>	<b>278249</b>	<b>02.50</b>
2	<b>Abha Garg</b>				
	<b>At the beginning of the year</b>	0	0		0
	TRANSFER on 31-12-2014	(+) 1000	00.01	1000	00.01
	<b>At the end of the year</b>	<b>1000</b>	<b>00.01</b>	<b>1000</b>	<b>00.01</b>

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Saroj Poddar	650,000	5.85	NA	NA
2	Satya Narain	391,933	3.53	345,833	3.11
3	Greenmate Coporation	300,000	2.70	300,000	2.70
4	Prem Cables Pvt Ltd	182,694	1.64	NA	NA
5	Shrikant Shriram Narsaria	130,575	1.17	NA	NA
6	Lalit Kumar Poddar	110,146	0.99	NA	NA
7	Raj Kumar Lohia	89,318	0.80	NA	NA
8	Yuvraj Mody	79,000	0.71	NA	NA
9	Ritu Shrikant Narsaria	78,950	0.71	NA	NA
10	Jogesh Shivilal Bhasin	68,000	0.61	NA	NA
11	Dushyant Poddar	NA	NA	500,000	4.50
12	Mukul Agarwal	NA	NA	209,482	1.88
13	Madras Parameswaran Manoj Mahadev	NA	NA	183,509	1.65
14	Rajeev Jawahar	NA	NA	134,241	1.21
15	Sandeep Bipinchandra Jhaveri	NA	NA	140,069	1.26
16	Rahul Dhruv	NA	NA	77,000	0.69
17	Y Gokul	NA	NA	75,000	0.67
18	M P Manoj Mahadev	NA	NA	61,882	0.56

**(v) Shareholding of Directors & KMP**

Sr. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri Pradeep Kumar Jain	NIL	NIL	NIL	NIL
2.	Shri Raju Subba Sagi	NIL	NIL	NIL	NIL
3.	Shri Jandhyala L. Sarma	NIL	NIL	NIL	NIL

**V INDEBTEDNESS**

<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of financial year</b>				
i) Principal Amount	30772054	1693000	NIL	32465054
ii) Interest due but not paid	NA	NA	NIL	NIL
iii) Interest accrued but not due	NA	NA	NIL	NIL
<b>Total (i+ii+iii)</b>	30772054	1693000	NIL	32465054
<b>Change in Indebtedness during the financial year</b>				
Addition	NA	NA	NIL	NIL
Reduction	8904165	1693000	NIL	10597165
<b>Net Change</b>	8904165	1693000	NIL	10597165
<b>Indebtedness at the end of financial year</b>				
i) Principal Amount	21867889	NIL	NIL	21867889
ii) Interest due but not paid	NA	NA	NIL	NIL
iii) Interest accrued but not due	NA	NA	NIL	NIL
<b>Total (i+ii+iii)</b>	21867889	NIL	NIL	21867889





**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole time director (WTD) and/or Manager:**

Sr. No	Particulars of Remuneration	Name of Director	Total Amount Rs. In Lacs
1	Gross salary	NIL	NIL
	(a) Salary as per provisions of section 17(1) of the Income Tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	NIL	NIL
2	Stock option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission	NIL	NIL
	as % of profit	NIL	NIL
	others (specify)	NIL	NIL
5	Others, please specify	NIL	NIL
	<b>Total (A)</b>	NIL	<b>NIL</b>

**B. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of the Director #				Total Amount
		1	2	3	4	
1	Independent Directors					
	(a) Fee for attending board committee meetings	75,000	30,000	30,000	NIL	135,000
	(b) Commission	NIL	NIL	NIL	NIL	NIL
	(c) Others, please specify	NIL	NIL	NIL	NIL	NIL
	<b>Total (1)</b>	75,000	30,000	30,000	NIL	NIL
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings	NIL	NIL	NIL	30,000	30,000
	(b) Commission	NIL	NIL	NIL	NIL	NIL
	(c) Others, please specify	NIL	NIL	NIL	NIL	NIL
	<b>Total (2)</b>	NIL	NIL	NIL	NIL	NIL
	<b>Total (B)=(1+2)</b>	75,000	30,000	30,000	30,000	165,000
	<b>Total Managerial Remuneration</b>	75,000	30,000	30,000	30,000	165,000
	<b>Overall Ceiling as per the Act</b>	NA	NA	NA	NA	NA

# 1. Pradeep Kumar Jain    2. Raju Subba Sagi    3. J. L. Sharma    4. Veena Garg



**C. Remuneration to Key Managerial personnel other than MD/WTD/Manager:**

Sr. No	Particulars of Remuneration	CEO	Company Secretary	CFO	Total Amount
1	Gross salary				<b>NIL</b>
	(a) Salary as per provisions of section 17(1) of the Income Tax Act, 1961				
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961				
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961				
2	Stock option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others (specify)				
5	Others, please specify				
	<b>Total (C)</b>				

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment /Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					



## **AUDITORS' CERTIFICATE**

### **ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE**

To,  
The Member of Cupid Limited,  
I have examined the compliance of conditions of Corporate Governance by **CUPID LIMITED** ("The Company"), for the year ended **31<sup>st</sup> March, 2015**, as stipulated in clause 49 of the Listing Agreement of the Company entered into with the Stock Exchanges.  
The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.  
In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listed Agreements.  
I state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Bhatter & Company**  
Chartered Accountants

Place : Mumbai  
Date :12<sup>th</sup> August, 2015

**Daulal H. Bhatter**  
(Proprietor)  
Membership No. : 16937  
FRN : 131092 W



## REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended on 31<sup>st</sup> March 2015 :-

### COMPANYS' PHILOSOPHY :

" CUPID LIMITED " Governance philosophy is based on Good Governance which is a primary outline to the Company's business practices based on the attitude of trust of every Company associate. The Assessment to Good Governance is through transparency, satisfactory disclosure, justice on business deal, teamwork, independent monitoring & supervision, growth & development and opportunities to all. The internal control systems and procedures, risk assessment and mitigation procedures and code of conduct for observance by the Company's directors and employees are strength in accomplishment to healthy Corporate Governance practices in the Company.

### BOARD OF DIRECTORS :

The name and categories of the directors on the Board, their attendance at Board Meetings and Annual General Meeting held during the financial year 2014 -15 and the number of directorships and Committee Chairmanships / Memberships in public ltd companies held by them are given below. Other Directorships in other Companies 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 of Director	Category	Attendance at board Meeting in year 2014-2015		Attendance at Last AGM on 27 Sep 2014	Directorships in other Public Ltd Companies		Committees Position held in other Public Ltd Companies	
		Held	Attended		Chairman	Member	Chairman	Member
Omprakash Garg	Chairman & Managing Director	7	7	PRESENT	NIL	NIL	NIL	NIL
Raju Subba Sagi # #	Independent Director & Non-Executive	7	2	Leave Sought	NIL	NIL	NIL	NIL
Pradeep Kumar Jain	Independent Director & Non-Executive	7	6	PRESENT	NIL	NIL	NIL	NIL
Jandhyala I. Sarma @	Independent Director & Non-Executive	3	3	Not Applicable	NIL	NIL	NIL	NIL
Veena Garg @	Woman Director	3	3	Not Applicable	NIL	NIL	NIL	NIL

# # Resigned w. e. f. 14<sup>th</sup> March 2015

@ Appointed w. e. f. 28<sup>th</sup> October 2014



**BOARD MEETING AND PROCEDURES :**

The Board meets at regular intervals to discuss and decide on business strategies / policies and review the financial performance of the Company. The Board meetings are pre-scheduled and a tentative annual schedule of the Board meetings is circulated to the directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board meeting.

During the financial year 2014-15, the Board met 7 times. The meetings were held on 29<sup>th</sup> May 2014; 06<sup>th</sup> August 2014; 19<sup>th</sup> August 2014; 28<sup>th</sup> October 2014; 22<sup>nd</sup> December 2014; 17<sup>th</sup> January 2015 and 14<sup>th</sup> March 2015. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Agreement.

The Company has a mandatory requirement for all Directors to inform the Company about the Committees / Board member position they occupies in other Companies and notifies the change, if any.

**BRIEF PROFILE OF DIRECTOR SEEKING REAPPOINTMENT AND APPOINTMENT :**

**1. Brief Profile of Shri Omprakash Garg**

Shri Omprakash Garg is aged 71 years is promoter of the Company is associated with the Company since inspection of the Company. He has wide experience in the field of Metal business and healthcare products.

Brief details of Shri Omprakash Garg are as below :-

Age : 71 years

Qualifications : M. Sc.

Experience : 45 years in Metal business and healthcare products.

Date of first appointment on Board : 16<sup>th</sup> Aug 1994

Shareholding in the Company : 1593900 equity shares

Relationship with other Directors : Husband of Smt. Veena Garg.

Other Directorships : NIL

Other Memberships of Committees of Other Boards : NIL

Other Chairmanships of Other Boards : NIL

No of Board meetings attended during the year : 7 Board Meetings

Last Drawn remuneration from Company : NIL

**2. Brief Profile Of Shri Jandhyala Lakshminarya Sarma**

Shri Jandhyala L. Sarma is aged of 76 year is experience in various business industries and provide valuable guidance to the Company from time to time. He is associated with company as Independent Director.

Brief details of Shri Jandhyala Lakshminarya Sarma are as below :-

Age : 76 years

Qualifications : Ph.D.

Experience : 30 years experience in merchant banking activities and various business industries.

Date of first appointment on Board : 28<sup>th</sup> October 2014.

Shareholding in the Company : Nil

Relationship with other Directors : Independent Director

Other Directorships : NIL

Other Memberships of Committees of Other Boards : NIL

Other Chairmanships of Other Boards : NIL

No of Board meetings attended during the year : 3 Board meeting

Last Drawn remuneration from Company : NIL



**3. Brief Profile of Smt. Veena Garg**

Smt. Veena Garg aged of 63 years, is wife of Shri Omprakash Garg and closely associated with the business of Shri Omprakash Garg. She supports him in decision making and add support and confidence in the business doing to Shri Omprakash Garg.

Brief details of Smt. Veena Garg are as below :

Age : 63 years

Qualifications : B.A.

Experience : 20 years experience in management and administration.

Date of first appointment on Board : 28<sup>th</sup> October 2014.

Shareholding in the Company : 777,500 equity share of Company.

Relationship with other Directors : Wife of wholetime director Shri Omprakash Garg.

Other Directorships : NIL

Other Memberships of Committees of Other Boards : NIL

Other Chairmanships of Other Boards : NIL

No of Board meetings attended during the year : 3 board meeting

Last Drawn remuneration from Company : NIL

**INDEPENDENT DIRECTORS:**

The Independent Directors fulfill the conditions of Independence specified in section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet with requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchanges. A formal letter of appointment to independent Director as provided in Companies Act, 2013 and the Listing Agreement has been issued and disclosed on the website of the Company as “**LETTER OF APPOINTMENT AND TERMS AND CONDITIONS**” of Independent Directors” weblink of the same are

<http://www.cupidltd.in/about-us/investors-info/corporate-governance/>

**Meetings of Independent Directors :**

Meeting of only Independent Directors of the Company was held on 14<sup>th</sup> March 2015 to deal with matter listed out in Schedule IV and clause 49 of the Listing Agreement which inter-alia includes, review the performance of the non – independent directors, chairman and the Board as a whole and assess quality and quantity of flow of information to perform the duties by the Board of Directors.

**GOVERNANCE CODES :**

**Code of Conduct & Ethics :**

The Company has adopted Code of Conduct & Ethics ( “ the Code ” ) which is applicable to the Board of directors and Senior Management Team ( one level below the Board) of the Company. The Board of Directors and the members of Senior Management Team are required to affirm annual Compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code of Conduct is available on the website of the Company viz. [http://www.cupidltd.in/wp-content/uploads/2015/06/01\\_001\\_CG\\_Code\\_of\\_Conduct.pdf](http://www.cupidltd.in/wp-content/uploads/2015/06/01_001_CG_Code_of_Conduct.pdf)

**Conflict of Interest :**

Each Director informs the Company on an annual basis about the board and the Committee positions they occupies in the other companies including Chairmanships and notifies changes during the year. Members of the Board while discharging their duties, avoid conflict of Interest in the decision making process. The members of the Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

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.

**Insider Trading Code :**

The Company has adopted a Code of Conduct for Prevention of Insider Trading ( “ The Code ” ) in accordance with the requirements of Securities and Exchange Board of India ( Prohibition of Insider Trading ) Regulations, 1992.



The Code is applicable to Promoters and Promoters' Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relation to the Company. Shri Omprakash Garg is the Compliance officer for monitoring adherence to the said Regulations.

**AUDIT COMMITTEE :**

Audit Committee of the Board of Directors is reconstituted on 14<sup>th</sup> March, 2015. On reconstitution on 14<sup>th</sup> March 2015 following are members :-

Mr. Pradeep Kumar Jain	Chairman
Mr. Jandhyala L. Sarma	Member
Mr. Omprakash Garg	Member

The Audit Committee met 7 times during the financial year 2014-15. The Company is in full compliance with the provisions of the Clause 49 of the Listing Agreement on gaps between any two Audit Committee meetings. The Committee met on 29<sup>th</sup> May 2014; 06<sup>th</sup> August 2014; 19<sup>th</sup> August 2014; 28<sup>th</sup> October 2014; 22<sup>nd</sup> December 2014; 17<sup>th</sup> January 2015 and 14<sup>th</sup> March 2015. The necessary quorum was present for all meetings.

The Attendance of the Audit Committee Members as per below :-

Name of Committee Member	No of Meeting for year 2014 - 2015	
	Held	Attended
Mr. Pradeep Jain	7	7
Mr. Raju Subba Sagi @	7	5
Mr. Jandhyala L. Sarma #	3	3
Mr. Omprakash Garg	7	7

# Appointed w. e. f. - : 17<sup>th</sup> January 2015

@ Resigned w. e. f. - : 14<sup>th</sup> March 2015

Mr. Pradeep Jain Chairman of the Audit Committee was present at the 21<sup>st</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September, 2014 to answer the shareholders queries.

The Committee is empowered to deal with all such matters as required by Section 177(4) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. In addition to other business, reviews the quarterly (unaudited) financial results, annual financial statements, cost audit reports, before submitting to the Board of Directors, review internal control systems, related party transactions, and appointment and matter related to appointment of auditors and to examine disclosure aspect of significant transactions of the Company.

**Terms of Reference**

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls systems, discussion on quarterly, and annual financial results, interaction with Statutory and Internal Auditors one on one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory and Cost Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, review of Business Risk Management Plan, review of Forex policy, Management Discussions & Analysis, review of Internal Audit Reports, significant related party transactions. The Board has framed the Audit Committee for the purpose of effective compliance of provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

**Functions of Audit Committee**

The Audit Committee, while reviewing the Annual Financial Statements also review the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended 31<sup>st</sup> March, 2015.

The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. The Statutory Auditors are responsible for performing Independent audit of the Company's financial statements in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are





responsible for the internal risk controls.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

Besides the above, Chairman and Directors, Business heads of the Company, the representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to Audit Committee meetings. The presentation and reports of the Cost Auditors are review in the meetings of Audit Committee and steps for improvements are taken up by the Audit Committee.

The Company follows best practice in financial reporting. The Company has been reporting on quarterly basis the Un-audited financial result as required by the Clause 41 of the Listing Agreement entered with Stock Exchanges. The Company's quarterly un-audited financial results are made available on the website [www.cupidltd.com](http://www.cupidltd.com) and are also sent to the BSE Limited (stock exchanges) where the Company's equity shares are listed for displaying at their respective website.

### **Internal Controls and Governance Processes**

The Company has appointed a firm of Chartered Accountant as Internal Auditors to review and report on internal controls system. The report of the Internal Auditors is reviewed by the Audit Committee. The Audit Committee formulates a detailed plan to the Internal Auditors for the year and the same is reviewed at the Audit Committee meetings. The Internal Auditors submit their recommendations to the Audit Committee and provides a road map for future actions.

### **NOMINATION AND REMUNERATION COMMITTEE**

Nomination and Remuneration Committee has been constituted in place of earlier Remuneration Committee. The role of the committee is to perform all such company affairs as prescribed under Companies Act, 2013 and the rules framed thereunder and Clause 49 of the Listing Agreement.

The Committee has formulated a policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, all Key Managerial Personnel (KMP) and all employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company.

Committee has been reconstituted on 14<sup>th</sup> March, 2015. On reconstitution on 14<sup>th</sup> March, 2015 the following are members : -

Mr. Pradeep Jain	Chairman
Mr. Jandhyala L. Sarma	Member
Mr. Omprakash Garg	Member

During the financial year the Committee met once on 14<sup>th</sup> March 2015, wherein the Committee Members took decision on remuneration and other such related matters of the Company.

The Company paid Rs. NIL remuneration to Mr. Omprakash Garg, Chairman & Managing Director of the Company for the year 2014 - 2015. Nominal sitting fees are paid to the other Directors of the Company. Further, Company reimburses out of pocket expenses incurred by all Directors of the Company as per approvals and under review by remuneration committee members.

### **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non- Independent Director was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

### **STAKEHOLDER RELATIONSHIP COMMITTEE :**

Stakeholder Relationship Committee has been constituted in place of earlier Shareholders / Investors Grievance Committee.



Committee has been reconstituted on 14<sup>th</sup> March, 2015. On reconstitution on 14<sup>th</sup> March 2015 the following are members :-

Mr. Pradeep Kumar Jain Chairman  
 Mrs. Veena Garg Member  
 Mr. Omprakash Garg Member

The Stakeholder Relationship Committee met 5 times during the financial year 2014-15. The Company is in full compliance with the provisions of the Clause 49 of the Listing Agreement on gaps between any two Committee meetings. The Committee met on 29<sup>th</sup> April 2014; 6<sup>th</sup> August 2014; 28<sup>th</sup> October 2014; 17<sup>th</sup> January 2015 and 14<sup>th</sup> March 2015. The necessary quorum was present for all meetings.

The Attendance of the Stakeholder Relationship Committee Members as per below :-

Name of Committee Member	No of Meeting for year 2014-2015	
	Held	Attended
Mr. Pradeep Jain	5	4
Mr. Omprakash Garg	5	5
Mr. Jandhyala L. Sarma # , @	1	1
Mrs. Veena Garg ##	NA	NA
Mr. Raju Subba Sagi @	5	2

# Appointed w. e. f.: 17<sup>th</sup> January 2015

## Appointed w. e. f.: 14<sup>th</sup> March 2015

@ Resigned w. e. f.: 14<sup>th</sup> March 2015

#### Terms of Reference :

The role of the Committee is to review the clarification on the grievances to members and perform all such roles as prescribed under Companies Act, 2013 and the rules framed thereunder and Clause 49 of the Listing Agreement. The Minutes of the Stakeholders Relationship Committee meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings. Quarterly Status Report of members' complaints and redressal thereof is reviewed by the Committee Members.

#### a) Share Transfer Procedure of the Company :

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.

#### b) Listing Fees :

The Company has paid the annual listing fees for the year 2015 -2016 to BSE Limited (BSE).

#### c) Stakeholders Grievance :

The Registrar and Share Transfer Agent, M/s Bigshare Service Private Limited attend to all grievance of shareholders received directly or through SEBI, Bse Limited, Ministry of Corporate Affairs, Registrar of Companies & Others under the review of the Secretarial team of the Company.

The total numbers of Members' complaints received and replied to the Members' for year ended 31st March 2015 are as per details given below :

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

**RISK MANAGEMENT COMMITTEE :**

Risk Management Committee has been constituted during the year to evaluate total process of risk management in the Company. The duties and responsibilities of the members of the Committee are in addition to those as a member of the Board of Directors.

Committee has been constituted on 14<sup>th</sup> March, 2015. On reconstitution on 14<sup>th</sup> March, 2015 the following are members :-

Mr. Omprakash Garg	Chairman
Mr. Jandhyala L. Sarma	Member
Mr. Pradeep Kumar Jain	Member
Mr. Durgesh Garg	Member

One Meeting of the members of Risk Management Committee was held on 14<sup>th</sup> March 2015 during the financial year wherein the Committee Members reviewed on the reports prepared on matters related to risk management in the Company.

**CORPORATE SOCIAL RESPONSIBILITY**

The Company has constituted a Corporate Social Responsibility ( CSR ) Committee in compliance with the provisions of Section 135 of the Companies Act, 2013. The CSR committee was constituted by the Board of Directors of the Company at its meeting held on 18<sup>th</sup> May, 2015. On the recommendation of the CSR committee, the Board has approved the CSR policy of the Company which is published on the Company's website.

As the company was not covered by section 135 of the Companies Act, 2013 during the year under review, the Company has not spent any amount on CSR activates.

**GENERAL BODY MEETINGS :**

Information of the last three Annual General Meetings held: -

Date of AGM	Time of AGM	Location
Friday, 28 <sup>th</sup> September, 2012	10.15 A. M.	103, Sona Chamber, 507/509, J.S.S. Road, Mumbai 400002
Monday, 30 <sup>th</sup> September, 2013	10.00 A. M.	A 68, M. I. D. C. (Malegaon), Sinnar, Nasik 422113.
Saturday, 27 <sup>th</sup> September, 2014	10.00 A. M.	A 68, M. I. D. C. (Malegaon), Sinnar, Nasik 422113.

**RELATED PARTY TRANSACTION :**

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.

**SUBSIDIARY :**

'Cupid Medical Research Centre Private Limited' a subsidiary of the Company had been ceased to be Company's subsidiary during the financial year 2014-15. The company has not started any business activities in the said company.

Thereby Company doesn't have any Subsidiaries or Joint Ventures or Associate companies as on the report date as defined under the Companies Act, 2013.

**WHISTLE BLOWER AND VIGIL MECHANISM :**

Whistleblower Policy has been formulated with a view to provide a mechanism for every employees of the Company to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements, reports, and others related matters. The Whistleblower policy has been framed pursuant to clause 49 (II) (F) of the listing agreement and pursuant to section 177 (9) and (10) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. It ensures that strict confidentiality is maintained whilst dealing with concerns and also no discrimination will be meted out to any person for a genuinely raised concern. Any suspected or confirmed incident of fraud / misconduct can be reported thereof.



The said whistle blower has been hosted on the website at :-

[http://www.cupidltd.in/wp-content/uploads/2015/06/05\\_002\\_CG\\_Whistlerblower.pdf](http://www.cupidltd.in/wp-content/uploads/2015/06/05_002_CG_Whistlerblower.pdf)

**DISCLOSURES OF ACCOUNTING TREATMENT :**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**ANY NON-COMPLIANCE, PENALTIES OR STRICTURES IMPOSED :**

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

**MEANS OF COMMUNICATION :**

The quarterly financial results of the Company for each quarter is place before the Board of Directors within stipulated time. On approval quarterly financial result are published in atleast one of the English daily newspaper and similarly in vernacular Marathi daily newspaper publishing from Nashik edition.

**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.

**CEO / CFO CERTIFICATION :**

All the Board member and senior management of the Company as on 31<sup>st</sup> March, 2015 have affirmed compliance with their respective Codes of Conduct. A declaration to this effect, duly signed by the Managing Director is annexed herewith.

**GENERAL SHAREHOLDER INFORMATION :****1. Annual General Meeting to be held**

**Date** 28<sup>th</sup> September, 2015

**Time** 10.00 a.m.

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

**2. Financial Calendar for the financial year 2015 2016 (tentative)**

Financial reporting for the quarter ending June 2015 Within 45 days from Close of quarter

Financial reporting for the quarter ending September 2015 Within 45 days from Close of quarter

Financial reporting for the quarter ending December 2015 Within 45 days from Close of quarter

Financial reporting for the quarter ending March 2016 Within 60 days from Close of quarter

**3. Date of Book Closure**

21<sup>st</sup> September, 2015 to 28<sup>th</sup> September, 2015

**4. Dividend Payment Date**

19<sup>th</sup> October 2015

**5. Registered & Corporate Office  
and Correspondence Address**

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

Tel : - + 91- 2551 230280 / 230178

Email : - info@cupidlimited.com

Website : - www.cupidltd.in

**6. Listing on Stock Exchanges**

BSE Limited

**7. Stock Code of BSE**

530843

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

INE509F01011


**9. i) Shares held in Physical / Electronic form as on 31<sup>st</sup> March, 2015**

Particulars	Shares	% of shares
Shares in Electronic form	1,05,55,885	94.97
Shares in Physical form	5,59,115	05.03
<b>TOTAL</b>	<b>1,11,15,000</b>	<b>100.00</b>

**ii) Distribution of share holding as on 31<sup>st</sup> March, 2015**

No. of Equity Shares held	No. of Holders	% of Holders	No. of shares	% of Shares
Upto 500	2,181	68.07	4,67,120	4.20
501 1000	467	14.58	3,92,770	3.53
1001 2000	223	6.96	3,60,053	3.24
2001 3000	111	3.47	2,95,777	2.66
3001 4000	33	1.03	1,20,936	1.09
4001 5000	45	1.40	2,17,098	1.95
5001 10000	68	2.12	5,27,577	4.75
10001 and above	76	2.37	87,33,669	78.58
<b>TOTAL</b>	<b>3,204</b>	<b>100.00</b>	<b>1,11,15,000</b>	<b>100.00</b>

**iii) Shares holding Pattern as on 31<sup>st</sup> March, 2015**

Category	No. of Holders	No. of shares	% of Shares
Promoters & Promoters Group	5	53,86,300	48.46
Mutual Funds	2	3,500	0.03
Bodies Corporate	115	4,60,445	4.14
NRI	67	4,37,181	3.93
OCBs	4	3,20,800	2.89
Indian Public	2,977	44,82,695	40.33
Others (Clearing Members)	34	24,079	0.22
<b>TOTAL</b>	<b>3,204</b>	<b>1,11,15,000</b>	<b>100.00</b>

**iv) Market Data on the portal of BSE Limited (BSE)**

MONTH	CUPID LIMITED				BSE SENSEX	
	High (Rs.)	Low (Rs.)	Wt. Avg. Price (Rs)	Volume	High	Low
Apr 2014	11.00	8.78	9.73	1,89,134	22,939.31	22,197.51
May 2014	15.85	9.26	12.28	4,80,025	25,375.63	22,277.04
Jun 2014	15.79	11.41	14.64	3,32,195	25,725.12	24,270.20
Jul 2014	14.25	12.60	13.12	2,65,200	26,300.17	24,892.00
Aug 2014	22.19	11.84	17.97	10,02,877	26,674.38	25,232.82
Sep 2014	33.40	20.26	27.84	34,69,948	27,354.99	26,220.49
Oct 2014	57.60	30.65	41.21	19,82,827	27,894.32	25,910.77
Nov 2014	59.90	44.65	52.65	9,30,601	28,822.37	27,739.56
Dec 2014	52.50	35.70	45.93	14,22,086	28,809.64	26,469.42
Jan 2015	74.50	42.80	60.95	16,83,934	29,844.16	26,776.12
Feb 2015	74.60	62.40	67.47	6,88,587	29,560.32	28,044.49
Mar 2015	85.45	62.95	75.92	7,62,597	30,024.74	27,248.45



**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 BSE 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.

**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.

**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.

**POSTAL BALLOT**

The Company has complied with the provisions of Postal Ballot in matters necessary.

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

In accordance with Clause 49 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 31<sup>st</sup> March, 2015.

**For Cupid Limited**

**OMPRAKASH GARG**

Chairman & Managing Director

DIN No. : 00140756

Place: Mumbai

Date : 18<sup>th</sup> May, 2015



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**CUPID LIMITED.**

We have audited the accompanying financial statements of CUPID LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, and the Statement of Profit and Loss Statement and Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards specified under section 133 read with Rule 7 of the Companies (Account), Rules 2014. 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**

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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 the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow statement, of the cash flow for the year ended on that date

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of section 133 of the Act.
2. As required by section 133(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 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 Statement & Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013;
  - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of clause section 164(2) of the Companies Act, 2013.

**For Bhatler & Company**  
Chartered Accountants

**Daulal H. Bhatler**  
(Proprietor)  
Membership No. : 16937  
FRN : 131092 W

Place : Mumbai  
Date : 18th May, 2015





## **ANNEXURE TO THE AUDITORS' REPORT**

**The Annexure referred to in our report to the members of CUPID LIMITED (the Company') for the year ended on 31st March, 2015. We report that :**

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the Management;
- (b) The procedures of physical verification of inventory followed by the management 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 and any material discrepancies noticed on physical verification and if so, the same have been properly dealt with in the books of account;
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. There is no sale of services. In our opinion and according to the information and explanations given to us, there is a continuing failure to correct major weaknesses in internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and hence the provisions of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder, with regard to deposits accepted from the public are not applicable to the Company.
- (vi) We have broadly reviewed the books of accounts maintained Company pursuant to the rules made by the Central Government under sub-section (1) of section 148 of the Companies Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to examine whether they are accurate and complete.
- (vii) (a) According to the information and explanation given to us and records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and Any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records of the Company, there are no dues of Income Tax or Sales Tax or Wealth Tax or Service Tax or Duty of Customs or Duty of Excise or Value added tax or Cess that have not been deposited on account of any dispute.
- (c) According to the information and explanation given to us there are no amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act and rules made thereunder.



- (viii) The Company does not have accumulated losses at the end of the financial year and has not incurred any cash losses in the current and immediately preceding financial year.
- (ix) According to information and explanations given to us and based on documents and records produced to us, the Company has not defaulted in repayment of dues to banks. The Company does not have dues to financial institutions or bank or debenture holders.
- (x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) According to the information and explanations given to us, the Company has not taken or any amount due towards any of the term loans during the year under review. So the purpose of usage of terms loans is not applicable.
- (xii) Based upon the audit procedures performed and the information and explanations given by the management, We report that no fraud on or by the Company has been noticed or reported during the year.

**For Bhatler & Company**  
Chartered Accountants  
FRN: 131092W

Place : Mumbai  
Date : 18th May, 2015

**Daulal H Bhatler**  
Proprietor  
Membership Number : 016937

**Balance Sheet as at 31st March, 2015**

Particulars	Note No.	As At 31-Mar-2015	As At 31-Mar-2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share capital	1	111,150,000	111,150,000
(b) Reserves and surplus	2	<u>130,832,690</u>	<u>74,933,096</u>
		<b>241,982,690</b>	<b>186,083,096</b>
<b>(2) Non-current liabilities</b>			
(a) Deferred tax liabilities (Net)	3	<u>21,510,653</u>	<u>13,752,704</u>
		<b>21,510,653</b>	<b>13,752,704</b>
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	4		
(i) Secured		21,867,889	30,772,054
(ii) Unsecured		-	1,693,000
(b) Trade payables	5	18,659,181	22,997,956
(c) Other current liabilities	6	4,240,143	5,826,490
(d) Short-term provisions	7	<u>40,930,190</u>	<u>4,011,759</u>
		<b>85,697,403</b>	<b>65,301,259</b>
	<b>TOTAL</b>	<u><b>349,190,746</b></u>	<u><b>265,137,059</b></u>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Fixed Assets	8		
(i) Tangible assets		156,105,457	162,591,332
(ii) Intangible assets		<u>18,964</u>	<u>159,569</u>
		<b>156,124,421</b>	<b>162,750,901</b>
(b) Non-current investments	9	600,000	98,000
(c) Other non-current assets	10	<u>3,810,502</u>	<u>2,210,502</u>
		<b>160,534,923</b>	<b>165,659,403</b>
<b>(2) Current Asset</b>			
(a) Inventories	11	34,685,177	47,149,297
(b) Trade receivables	12	81,754,718	31,747,172
(c) Cash and cash equivalents	13	31,981,785	2,476,992
(d) Short-term loans and advances	14	30,018,735	14,641,508
(e) Other Current assets	15	<u>10,215,408</u>	<u>3,462,687</u>
		<b>188,655,823</b>	<b>99,477,656</b>
	<b>TOTAL</b>	<u><b>349,190,746</b></u>	<u><b>265,137,059</b></u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS, AS UNDER

Significant Accounting Policies

Notes to the Balance Sheet

Other Notes

01 to 15

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In terms of our report of even date

**For Bhatler & Company**

Chartered Accountants

Firm Registration No. 131092W

**For and on behalf of the Board of Directors of  
Cupid Limited****Omprakash Garg** (DIN No. : 00140756)

Chairman &amp; Managing Director

**DAULAL H. BHATTER**

Proprietor

Membership No. 16937

**Pradeep Kumar Jain** (DIN No. : 01852819)

Independent Director

Place: Mumbai

Date: 18th May 2015

Place: Mumbai

Date: 18th May 2015

**Statement of Profit and Loss for the Year Ended 31st March 2015**

<b>Particulars</b>	<b>Note No.</b>	<b>Year ended 31-Mar-2015</b>	<b>Year ended 31-Mar-2014</b>
I. Revenue from operations	16	444,405,128	195,338,683
II. Other income	17	7,013,529	873,615
III. <b>Total Revenue (I + II)</b>		<b>451,418,657</b>	<b>196,212,298</b>
IV. Expenses:			
Cost of materials consumed	18	184,866,478	114,101,018
Changes in inventories of finished goods, work-in-progress	19	8,971,173	(10,096,212)
Employee benefits expenses	20	31,569,892	22,694,711
Other Expenses	21	90,672,753	47,475,295
Depreciation and amortization expenses	8	18,321,133	15,064,376
Finance costs	22	2,604,670	4,711,164
Loss on Sale of Vehicle		-	446,236
Loss of Sale of Investments		48,000	136,500
Provision for Investment value Diminishing		-	600,000
<b>Total Expenses</b>		<b>337,054,099</b>	<b>195,133,088</b>
V. Profit before tax ( III - IV )		<b>114,364,558</b>	<b>1,079,210</b>
VI. Less :- Tax Expenses:			
(1) Provision for Income tax		29,000,000	-
(2) Deferred Tax	3	8,283,385	559,784
VII. Profit/(Loss) for the year		<b>77,081,173</b>	<b>519,426</b>
VIII. Earnings per equity share:	23		
(1) Basic		6.93	0.05
(2) Diluted		6.93	0.05

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS, AS UNDER

Significant Accounting Policies

Notes to the Statement of Profit and Loss

16 to 23

Other Notes

24

In terms of our report of even date

**For Bhatler & Company**

Chartered Accountants

Firm Registration No. 131092W

**DAULAL H. BHATTER**

Proprietor

Membership No. 16937

Place: Mumbai

Date: 18th May 2015

**For and on behalf of the Board of Directors of  
Cupid Limited****Omprakash Garg** (DIN No. : 00140756)

Chairman &amp; Managing Director

**Pradeep Kumar Jain** (DIN No. : 01852819)

Independent Director

Place: Mumbai

Date: 18th May 2015

**Cash Flow Statement For the Year Ended 31st March, 2015**

Particulars	Year ended 31-Mar-2015	Year ended 31-Mar-2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation	114,364,558	1,079,210
<b>Adjustments for:</b>		
Depreciation on fixed assets	18,321,133	15,064,376
Finance Cost	2,604,670	4,711,164
Loss of Sale of Investments	48,000	136,500
Provision for Investment value Diminishing	-	600,000
Credit Balance Written Back (Net)	(561,618)	40,852
Interest income	(844,385)	(320,449)
<b>Operating Profit before Working Capital changes</b>	<b>133,932,358</b>	<b>21,311,653</b>
<b>Adjustments for :</b>		
(Increase) / Decrease in Inventories	12,464,120	(17,421,386)
(Increase) / Decrease in Trade receivables	(49,445,928)	(19,017,984)
(Increase) / Decrease in Other Loans and advances	(3,650,979)	6,242,922
Increase / (Decrease) in Trade payables	(4,338,775)	7,654,823
Increase / (Decrease) in Other Current Liabilities & Provisions	(336,775)	(1,659,612)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>88,624,021</b>	<b>(2,889,584)</b>
Income tax Paid / TDS	(20,078,969)	(31,981)
<b>Net Cash inflow from/ (outflow) from Operating activities</b>	<b>68,545,052</b>	<b>(2,921,565)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(13,395,092)	(5,594,872)
Sale / (Purchase) of investments	50,000	1,255,000
Interest received	844,385	3,220,449
<b>Net Cash inflow from/ (outflow) from Investing activities</b>	<b>(12,500,707)</b>	<b>(1,119,423)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds / (Repayment) Long / Short Term Borrowings (Secured)	(8,904,165)	10,594,033
Proceeds / (Repayment) Short Term Borrowings (Unsecured)	(1,693,000)	1,033,000
Interim Dividend Payment ( including Dividend Distribution Tax )	(13,337,717)	-
Finance Cost	(2,604,670)	(4,711,164)
<b>Net Cash inflow from/ (outflow) from Financing activities</b>	<b>(26,539,552)</b>	<b>6,915,869</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>29,504,552</b>	<b>101,279</b>
<b>Opening Cash and Cash Equivalents</b>		
Cash in hand	1,842,873	978,006
Balances In Bank and Deposit	634,119	1,397,707
	<b>2,476,992</b>	<b>2,375,713</b>
<b>Closing Cash and Cash Equivalents</b>		
Cash in hand	1,074,694	1,842,873
Balances In Bank and Deposit	30,907,091	634,119
	<b>31,981,785</b>	<b>2,476,992</b>

In terms of our report of even date

**For Bhatler & Company**

Chartered Accountants

Firm Registration No. 131092W

**DAULAL H. BHATTER**

Proprietor

Membership No. 16937

Place: Mumbai

Date: 18th May 2015

**For and on behalf of the Board of Directors of  
Cupid Limited****Omprakash Garg** (DIN No. : 00140756)

Chairman &amp; Managing Director

**Pradeep Kumar Jain** (DIN No. : 01852819)

Independent Director

Place: Mumbai

Date: 18th May 2015



## **Accompanying notes to the financial statements for the year ended 31st March, 2015**

### **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 17<sup>th</sup> 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 2<sup>nd</sup> January, 2006 as per permission affirmation by Central Government. The Company received the Certificate of Commencement of Business on 20<sup>th</sup> 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) 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 Generally Accepted Accounting Principles in India ( 'Indian GAAP' ) to comply with the accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies ( accounts ) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ( ' the Act ' ) / The Companies Act 1956 as applicable.

The Classification of assets and liabilities of the Companies into current or non current is based on the criterion specified in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

##### **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. 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.

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.

##### **d) Depreciation & Amortization**

###### **On Tangible Assets :-**

The Company has provided depreciation on basis of useful lives as prescribed in Schedule II of the Companies Act, 2013 consequent to schedule II becoming applicable w. e. f. 01<sup>st</sup> April 2014. The excess depreciation on tangible assets whose useful life is already exhausted as on 1<sup>st</sup> April 2014 is transferred to General reserves (net of deferred taxes).

**Accompanying notes to the financial statements for the year ended 31st March, 2015  
SIGNIFICANT ACCOUNTING POLICIES****On Intangible Assets :-**

Intangible Assets are amortized on Straight Line Method over the useful life, based on the economic benefits that would be derived, as per the estimates made by the management. Computer Software be written off over a period of three years.

**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 labor 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.	

**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.





## Accompanying notes to the financial statements for the year ended 31st March, 2015 SIGNIFICANT ACCOUNTING POLICIES

### 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.

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.



## Accompanying notes to the financial statements for the year ended 31st March, 2015 SIGNIFICANT ACCOUNTING POLICIES

### 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.

### 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.

### p) Exports Benefits

Consumption of raw material is arrived after deducting export benefits accrued such as refund of duty and duty draw back as per exim policy in the year of such exports.

**Accompanying notes to the financial statements for the year ended 31st March, 2015****NOTE NO. 1  
SHARE CAPITAL****a. Details of authorised, issued and subscribed share capital**

Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>Authorised Capital</b>		
Equity Shares of Rs 10/- each	120,000,000	120,000,000
<b>Issued Capital, Subscribed and Paid up</b>		
Equity Shares of Rs 10/- each	111,150,000	111,150,000
<b>Total</b>	<b>111,150,000</b>	<b>111,150,000</b>

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

Name of Shareholder	Relationship	As at 31 March, 2015		As at 31 March, 2014	
		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	14.34
Sureshchand Garg	Brother of Mr Omprakash Garg	2,735,651	24.69	1,886,451	16.97
Veena Garg	Spouse of Mr. Omprakash Garg	777,500	7.00	777,500	7.00
Saroj Poddar	Non Promoter	-	-	650,000	5.85

**c. Reconciliation of number of Equity shares**

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	11,115,000	111,150,000	11,115,000	111,150,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	11,115,000	111,150,000	11,115,000	111,150,000

**Accompanying notes to the financial statements for the year ended 31st March, 2015****NOTE NO : 2****RESERVES AND SURPLUS**

Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>a. Securities Premium Account</b>		
Opening Balance	30,275,600	30,275,600
(+) Securities premium credited on Share issue	-	-
(-) Premium Utilised for various reasons	-	-
Closing Balance	30,275,600	30,275,600
<b>b. Other Reserves (Special Capital Incentive)</b>		
Opening Balance	3,000,000	3,000,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	3,000,000	3,000,000
<b>c. Surplus / Profit &amp; Loss Account</b>		
Opening balance	41,657,496	41,138,070
(-) Adjusted as per Companies Act 2013 #	1,175,003	
(+) Profit / ( Loss ) during the year after taxes	77,081,173	519,426
	117,563,666	
(-) Interim Dividend paid	11,115,000	-
(-) Dividend Tax paid on Interim Dividend	2,222,717	-
(-) Provision for Final Dividend Payable	5,557,500	-
(-) Provision for final Dividend Tax Payable	1,111,359	-
Closing Balance	97,557,090	41,657,496
<b>TOTAL</b>	<b>130,832,690</b>	<b>74,933,096</b>

# Amount is adjusted against opening retained earning for depreciation on assests, whose usefullife has expired as on 1st April 2014

**NOTE NO : 3****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 recongised in the financial statement is as follows:

Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>a. Deferred Tax Liability</b>		
Excess of net block of fixed assets as per books of accounts over net block for tax purpose Opening Balance	24,278,016	
# Less :- Adjusted for reversal of deffered tax on depreciation upto 31.03.2014	(525,436)	
	23,752,580	
Deferred tax liability for the year	1,641,282	24,278,016
	22,111,298	24,278,016
<b>b. Deferred Tax Asset</b>		
Provision for Expenses	600,645	10,525,312
	600,645	10,525,312
<b>Net Deferred Tax Liability ( a - b )</b>	<b>21,510,653</b>	<b>13,752,704</b>

Deferred Tax Charge / (Credit) for the year

8,283,385

559,784

# Amount is adjusted against opening deffered tax liability for depreciation on assests, whose usefullife has expired as on 1st April 2014

**Accompanying notes to the financial statements for the year ended 31st March, 2015****NOTE NO : 4****SHORT-TERM BORROWINGS****i) SECURED - SHORT-TERM BORROWINGS**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Working Capital Assistance Loan from Banks	2,788,892	16,184,822
Working Capital in Foreign Currency for Pre and Post Shipment	19,078,997	14,587,232
<b>TOTAL</b>	<b>21,867,889</b>	<b>30,772,054</b>

**Notes on BORROWING**

a. Working Capital Assistance Loan from banks is secured by hypothecation of stock of raw materials, WIP and finished goods and book debts.

b. Additionally above loan have been personally guranted by Mr. Omprakash Garg, Chairman and Mr. Durgesh Garg.

c. Maurity period with respect to Cash Credit is renewable every year.

d. Rate of interest on cash credit is IVRR plus 2.55. As on 31st March 2015 IVRR is 10.80% .

e. Rate of interest on foreign currency working capital Loan for pre and post Shipment is IVBR plus 2.30

**ii) UNSECURED - SHORT-TERM BORROWINGS**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Loans and advances from related parties ( interest free )	-	1,693,000
<b>TOTAL</b>	<b>-</b>	<b>1,693,000</b>

**NOTE NO : 5****TRADE PAYABLES**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Trade Payables	18,659,181	22,997,956
<b>TOTAL</b>	<b>18,659,181</b>	<b>22,997,956</b>

**NOTE NO : 6****OTHER CURRENT LIABILITIES**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Statutory Liabilities	971,677	342,641
Funds received for Research to be incurred	1,275,550	1,275,550
Unpaid Interim Dividend Payable	585,929	-
Advance from Customers	1,406,987	4,208,299
<b>TOTAL</b>	<b>4,240,143</b>	<b>5,826,490</b>

**NOTE NO : 7****SHORT-TERM PROVISIONS**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Accrual for Expenses	5,261,331	4,011,759
Provisions for Income Tax	29,000,000	-
Provision for Final Dividend payable	5,557,500	-
Provision for Final Dividend tax payable	1,111,359	-
<b>TOTAL</b>	<b>40,930,190</b>	<b>4,011,759</b>

Accompanying notes to the financial statements for the year ended 31st March, 2015

**NOTE NO. 8  
FIXED ASSETS**

(Amount in Rs.)

PARTICULARS	Gross Block			Accumulated Depreciation				NET BLOCK	
	As at 1st April 2014	Additional (Deletions) during the year	As at 31st March 2015	As at 1st April 2014	Adjusted as per Companies Act 2013	Depreciation charge for the year	As at 31st March 2015	As at 31st March 2015	As at 31st March 2014
<b>Tangible Assets</b>									
Land & Site Development	1,644,000	-	1,644,000	-	-	-	-	1,644,000	1,644,000
Building	58,523,757	2,121,013	60,644,770	19,463,180	-	1,850,803	21,313,983	39,330,787	39,060,577
Plant & Machinery	173,563,903	10,457,804	184,021,707	109,667,891	-	9,108,672	118,776,563	65,245,144	63,896,012
Electricals	12,256,570	-	12,256,570	6,673,774	959,023	998,850	8,631,647	3,624,923	5,582,796
Indegenious Equipment	64,069,683	-	64,069,683	20,545,945	521,971	4,718,932	25,786,848	38,282,835	43,523,738
Computers	2,416,907	437,462	2,854,369	1,724,946	44,222	217,726	1,986,894	867,475	691,961
Air Conditoner	326,222	40,250	366,472	87,432	19,721	45,738	152,891	213,581	238,790
Office Equipment	133,903	153,416	287,319	88,934	24,702	11,327	124,963	162,356	44,969
Car	1,141,275	-	1,141,275	270,853	-	225,352	496,205	645,070	870,422
Furniture & Fixtures	10,720,434	110,919	10,831,353	3,682,367	21,016	1,038,684	4,742,067	6,089,286	7,038,067
<b>TOTAL</b>	<b>324,796,654</b>	<b>13,320,864</b>	<b>338,117,518</b>	<b>162,205,322</b>	<b>1,590,655</b>	<b>18,216,084</b>	<b>182,012,061</b>	<b>156,105,457</b>	<b>162,591,332</b>
<b>Previous Year #</b>	<b>319,201,782</b>	<b>5,594,872</b>	<b>324,796,654</b>	<b>147,419,043</b>	<b>(171,717)</b>	<b>14,957,996</b>	<b>162,205,322</b>	<b>162,591,332</b>	<b>171,782,739</b>
<b>Intangible Assets</b>									
Computer software	2,372,652	74,228	2,446,880	2,213,083	109,784	105,049	2,427,916	18,964	159,569
<b>TOTAL</b>	<b>2,372,652</b>	<b>74,228</b>	<b>2,446,880</b>	<b>2,213,083</b>	<b>109,784</b>	<b>105,049</b>	<b>2,427,916</b>	<b>18,964</b>	<b>159,569</b>
<b>Previous Year</b>	<b>2,372,652</b>	<b>-</b>	<b>2,372,652</b>	<b>2,106,703</b>	<b>-</b>	<b>106,380</b>	<b>2,213,083</b>	<b>159,569</b>	<b>265,949</b>
<b>Grand Total</b>	<b>327,169,306</b>	<b>13,395,092</b>	<b>340,564,398</b>	<b>164,418,405</b>	<b>1,700,439</b>	<b>18,321,133</b>	<b>184,439,977</b>	<b>156,124,421</b>	<b>162,750,901</b>

# Previous Year Accumulated Depreciation : - Adjusted on Sale of Assets

The Company has revised depreciation rates on fixed assets effective 1st April 2014 in accordance with requirements of schedule II of Companies Act 2013 ( " the Act " ). The remaining useful life has been revised by adopting standard useful life as per New Companies Act, 2013 except for certain plant and machineries where management estimates for remaining useful life has been taken. The carrying amount as on 1st April 2014 is depreciated over the remaining useful life. As a result of this changes (a) the depreciation charged for the year ended 31st March 2015 is higher by Rs. 32.57 Lacs. (b) there is a debit to retained earning of Rs. 11.75 Lacs net ( net of deferred tax ) for the assets whose remaining life as on 1st April 2014 is expired in accordance with the revised life as per Companies Act, 2013.



**Accompanying notes to the financial statements for the year ended 31st March, 2015****NOTE NO : 9****NON-CURRENT INVESTMENTS**

Particulars	As at 31 March, 2015	As at 31 March, 2014
A. NIL ( Pre. Yr : 9,800 ) Equity Shares of Rs 10 each in Cupid Medical Research Centre Pvt Ltd	-	98,000
B. 9,800 ( Pre. Yr : 9,800 ) Equity Shares of Rs 10 each in Arihantsidh Properties Pvt Ltd	2,400,000	2,400,000
<b>SUB - TOTAL</b>	<b>2,400,000</b>	<b>2,498,000</b>
<b>LESS :</b>		
Provision on Diminishing value on Investments	(1,800,000)	(1,800,000)
<b>SUB - TOTAL</b>	<b>(1,800,000)</b>	<b>(1,800,000)</b>
<b>GRAND TOTAL</b>	<b>600,000</b>	<b>698,000</b>

**NOTE NO : 10****OTHER NON-CURRENT ASSETS**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Security Deposit for Services	3,810,502	2,210,502
<b>TOTAL</b>	<b>3,810,502</b>	<b>2,210,502</b>

**NOTE NO : 11****INVENTORIES**

Particulars	As at 31 March, 2015	As at 31 March, 2014	As at 31 March, 2013
a. Raw Materials	3,602,517	4,428,616	5,401,114
b. Fuel	421,866	-	-
c. Packing Material	10,539,144	13,618,929	5,747,368
d. Stores and spares	732,591	741,520	315,409
e. Work-in-progress	1,153,159	845,106	1,045,106
f. Finished goods	18,235,900	27,515,126	17,218,914
<b>TOTAL</b>	<b>34,685,177</b>	<b>47,149,297</b>	<b>29,727,911</b>

**NOTE NO : 12****TRADE RECEIVABLES**

Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>Trade receivables outstanding for a period less than six months</b> ( Unsecured, considered good )	81,120,889	28,509,574
<b>SUB - TOTAL</b>	<b>81,120,889</b>	<b>28,509,574</b>
<b>Trade receivables outstanding for a period exceeding six months</b> ( Unsecured, considered good )	633,829	3,237,598
<b>SUB - TOTAL</b>	<b>633,829</b>	<b>3,237,598</b>
<b>TOTAL</b>	<b>81,754,718</b>	<b>31,747,172</b>

**Accompanying notes to the financial statements for the year ended 31st March, 2015****NOTE NO : 13****CASH AND CASH EQUIVALENT**

Particulars	As at 31 March, 2015	As at 31 March, 2014
a. Balances with banks	1,794,517	249,934
b. Cash on hand	1,074,694	1,842,873
c. Bank Deposit #	29,112,574	384,185
<b>TOTAL</b>	<b>31,981,785</b>	<b>2,476,992</b>

# Include accrued interest on bank deposits and Bank Deposits marked under lien to bank.

**NOTE NO : 14****SHORT-TERM LOANS AND ADVANCES**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Advance to Suppliers	147,758	368,418
Advance for Capital Goods ( In Foreign Currency )	5,014,054	2,821,474
Advance for Capital Goods	405,061	-
Advance taxes paid	20,371,612	292,643
Advances recoverable in cash or in kind or for the value to be received	4,080,250	11,158,973
<b>TOTAL</b>	<b>30,018,735</b>	<b>14,641,508</b>

**NOTE NO : 15****OTHER CURRENT ASSETS**

Particulars	As at 31 March, 2015	As at 31 March, 2014
Sales Tax / Excise Refund Claimable	9,469,776	3,317,090
Interest Receivable on deposit	159,703	139,918
Unpaid Dividend #	585,929	-
Accrued Bank Interest	-	5,679
<b>TOTAL</b>	<b>10,215,408</b>	<b>3,462,687</b>

# Include unpaid amount in bank account and against demand draft issued by bank.

**NOTE NO : 16****REVENUE FROM OPERATIONS**

Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
<b>Manufactured Goods</b>		
Domestic Sales	88,317,691	102,166,705
Export Sales	356,087,437	93,171,978
<b>TOTAL</b>	<b>444,405,128</b>	<b>195,338,683</b>

**NOTE NO : 17****OTHER INCOME**

Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
Sundry Receipts / Balance Written Back	561,618	553,166
Duty Draw back on export	3,089,747	-
Foreign Currency Fluctutaion	2,517,779	-
Interest Income	844,385	320,449
<b>TOTAL</b>	<b>7,013,529</b>	<b>873,615</b>



**Accompanying notes to the financial statements for the year ended 31st March, 2015****NOTE NO : 18****COST OF MATERIAL CONSUMED**

Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
<b>RAW MATERIALS</b>		
Opening Stock of Raw Materials	4,428,616	5,401,114
Add: Purchases of Raw Materials	80,807,893	66,788,894
Less: Closing Stock of Raw Materials	3,602,517	4,428,616
<b>SUB - TOTAL</b>	<b>81,633,992</b>	<b>67,761,392</b>
<b>FURANCE OIL</b>		
Opening Stock of Furance Oil	-	-
Add: Purchases of Furance Oil	1,776,114	2,379,819
Less: Closing Stock of Furance Oil	421,866	-
<b>SUB - TOTAL</b>	<b>1,354,248</b>	<b>2,379,819</b>
<b>PACKING MATERIAL</b>		
Opening Stock of Packing Material	13,618,929	5,747,368
Add: Purchases of Packing Material	93,890,609	49,915,348
Less: Closing Stock of Packing Material	10,539,144	13,618,929
<b>SUB - TOTAL</b>	<b>96,970,394</b>	<b>42,043,787</b>
<b>STORE AND CONSUMABLES</b>		
Opening Stock of Store and Consumables	741,520	315,409
Add: Purchases of Store and Consumables	15,416,888	6,339,855
Less: Closing Stock of Store and Consumables	732,591	741,520
<b>SUB - TOTAL</b>	<b>15,425,817</b>	<b>5,913,744</b>
Add : MOT Charges Paid	13,320	-
LESS : Taxes and Duties receivable / received	10,531,293	3,997,724
<b>TOTAL</b>	<b>184,866,478</b>	<b>114,101,018</b>

**NOTE NO : 19****CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS**

Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
<b>Opening Inventory</b>		
Finished Goods	27,515,126	17,218,914
Work-In-Progress	845,106	1,045,106
	<b>28,360,232</b>	<b>18,264,020</b>
<b>Closing Inventory</b>		
Finished Goods	18,235,900	27,515,126
Work-In-Progress	1,153,159	845,106
	<b>19,389,059</b>	<b>28,360,232</b>
<b>TOTAL</b>	<b>8,971,173</b>	<b>(10,096,212)</b>

**Accompanying notes to the financial statements for the year ended 31st March, 2015****NOTE NO : 20  
EMPLOYEE BENEFIT EXPENSES**

Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
Director Fees	165,000	110,000
Salaries, Wages and Bonus	24,961,895	18,709,212
Contributions to -		
Provident fund	1,490,479	1,184,913
Gratuity fund contributions	800,000	546,018
Provision for leave encashment	543,514	155,577
Other benefits	1,658,430	650,862
Staff welfare expenses	1,950,574	1,338,129
<b>TOTAL</b>	<b>31,569,892</b>	<b>22,694,711</b>

**NOTE NO : 21  
OTHER EXPENSES**

Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
<b>MANUFACTURING EXPENSES</b>		
Power & Fuel	26,729,687	17,839,004
Water Charges	619,948	420,340
Clearing, Freight and Transportation	2,721,366	2,159,837
Packing and Material Handling Expenses	8,803,661	5,730,868
Testing, Certification & Inspection Charges	4,763,786	310,846
Repairs and Maintenance		
(i) Plant & Machinery	3,093,114	916,628
(ii) Factory Building	3,031,106	223,540
(iii) Others	2,019,862	633,767
<b>ADMINISTRATIVE, SELLING AND OTHER EXPENSES</b>		
Travelling and Conveyance	7,598,744	5,017,397
Rent, Rates, Taxes and Insurances	3,306,396	1,449,181
Printing and Stationary	884,368	419,726
Computer Maintenance and Software	214,369	211,331
Professional Charges	2,176,677	2,733,092
Bad Debts	2,115,075	-
Audit Fees	56,180	56,180
Postage And Telephone	1,741,699	1,714,002
Loss of goods by fire	568,500	-
Security Charges	1,142,335	927,593
Prior Period Taxes	87,128	-
Advertisement	89,776	133,111
Clearing, Freight & Transportation	10,372,569	2,376,330
Commission & Brokerage	5,729,098	1,875,736
Research and Development	37,020	180,953
Selling & Distribution Expenses	1,479,511	663,364
Misc Expenses	1,290,778	1,482,469
<b>TOTAL</b>	<b>90,672,753</b>	<b>47,475,295</b>

**Accompanying notes to the financial statements for the year ended 31st March, 2015****NOTE NO : 22  
FINANCE COST**

Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
Interest expense paid to Banks	1,219,064	2,745,857
Interest paid to others	29,571	721,904
Exchange Differential	-	737,774
Bank Charges and Commission	1,356,035	505,629
<b>TOTAL</b>	<b>2,604,670</b>	<b>4,711,164</b>

**NOTE NO : 23  
EARNINGS PER EQUITY SHARES**

Particulars	Year Ended 31 March, 2015	Year Ended 31 March, 2014
<b>Basic Earnings per Share</b>		
Profit/(Loss) attributable to Equity shareholders	77,081,173	519,426
Weighted average number of equity shares	11,115,000	11,115,000
<b>Basic Earnings Per Share (In Rs)</b>	6.93	0.05
<b>Face value per Share</b>	10.00	10.00
<b>Dilutive Earnings per Share</b>		
Profit/(Loss) attributable to Equity shareholders	77,081,173	519,426
Weighted average number of equity share after considering potential equity shares	11,115,000	11,115,000
<b>Dilutive Earnings per Share (In Rs)</b>	6.93	0.05

**NOTE NO : 24  
OTHER NOTES FOR FINANCIAL STATEMENTS****A. Other Notes to the Balance Sheet**

1. Company has no contingent liabilities as on 31st March, 2015.
  - a. Except for cases wherein bank guarantees issued for the Performance of Export Orders against which the Company has given counter guarantees Rs. 21.60 lacs previous Rs. 7.22 lacs.
  - b. The company has executed a surety Bond for Rs. 118.38 lacs in favour of the Jt. D. G. F. T., which is yet to be discharged in respect of EPCG License granted to company for fulfillment of export obligation.
  - c. Further, Legal cases has been filled against Company on accounts of trade mark dispute and the Company has also filled cases against the litigant ,which are pending at different stages in various courts in India .financial impact if any, payable by the Company is unascertainable at this stage.
- B.** 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.
- C.** All of the assets other than fixed assets and non-current investments, have been are carried at cost of acquisition.
- D.** 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.

**Accompanying notes to the financial statements for the year ended 31st March, 2015****E. Other Notes to the Statement of Profit and Loss**

- Traveling expenses includes Rs. 32.60 Lacs ( previous year Rs. 12.37 Lacs ) spent on Foreign Travel.
- Earnings & Outflow in foreign currency ( on accrual basis ) : -

Particulars	Year Ended 31 <sup>st</sup> March 2015	Year Ended 31 <sup>st</sup> March 2014
	Amt in Rs. Lacs	Amt in Rs. Lacs
<b>EARNINGS</b>		
Export on F. O. B basis	3240.96	931.72
<b>TOTAL EARNINGS</b>	<b>3240.96</b>	<b>931.72</b>
<b>OUTFLOW</b>		
Towards Machinery / Equipment paid or payable	67.65	21.62
Others payments Expenses	59.74	-
<b>TOTAL OUTFLOW</b>	<b>127.39</b>	<b>21.62</b>

## 3. Auditors Remuneration

Particulars	Year Ended 31 <sup>st</sup> March 2015#	Year Ended 31 <sup>st</sup> March 2014#
	Amt in Rs.	Amt in Rs.
As Auditor	44,944	44,944
For taxation matter	11,236	11,236
For Other services	33,708	50,562
<b>TOTAL</b>	<b>89,888</b>	<b>1,06,742</b>

#Inclusive of Service Tax.

## 4. Details regarding Imported and Indigenous Material Consumed

(a) Consumption of raw materials : -

Particulars	Year Ended 31 <sup>st</sup> March, 2015		Year Ended 31 <sup>st</sup> March, 2014	
	Amt in Rs. Lacs	Percentage	Amt in Rs. Lacs	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	816.34	100 %	677.61	100 %
<b>TOTAL</b>	<b>816.34</b>	<b>100 %</b>	<b>677.61</b>	<b>100 %</b>

(b) Consumption of Furnace Oil : -

Particulars	Year Ended 31 <sup>st</sup> March, 2015		Year Ended 31 <sup>st</sup> March, 2014	
	Amt in Rs. Lacs	Percentage	Amt in Rs. Lacs	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	13.54	100 %	23.80	100 %
<b>TOTAL</b>	<b>13.54</b>	<b>100 %</b>	<b>23.80</b>	<b>100 %</b>



**Accompanying notes to the financial statements for the year ended 31st March, 2015**

(c) Consumption of Packing Material :-

Particulars	Year Ended 31 <sup>st</sup> March, 2015		Year Ended 31 <sup>st</sup> March, 2014	
	Amt in Rs. Lacs	Percentage	Amt in Rs. Lacs	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	969.70	100 %	420.44	100 %
<b>TOTAL</b>	<b>969.70</b>	<b>100 %</b>	<b>420.44</b>	<b>100 %</b>

(d) Consumption of Stores & Consumables :-

Particulars	Year Ended 31 <sup>st</sup> March, 2015		Year Ended 31 <sup>st</sup> March, 2014	
	Amt in Rs. Lacs	Percentage	Amt in Rs. Lacs	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	154.26	100 %	59.13	100 %
<b>TOTAL</b>	<b>154.26</b>	<b>100 %</b>	<b>59.13</b>	<b>100 %</b>

**5. Raw Material Consumption, Installed Capacities & Turnover.**

(a) Consumption of Raw Materials & Furnace Oil :-

Particulars	Year Ended 31 <sup>st</sup> March, 2015		Year Ended 31 <sup>st</sup> March, 2014	
	Qty.	Amt. in Rs.	Qty.	Amt. in Rs.
<b>i. Latex [ KGS ]</b>				
Opening Stock	12,356	16,36,552	18,432	33,31,804
Purchases	5,64,863	5,96,21,482	4,21,381	5,55,32,929
Consumption	5,55,515	5,92,12,215	4,27,457	5,72,28,181
Closing Stock	21,704	20,45,819	12,356	16,36,552
<b>ii. Chemicals</b>				
Opening Stock	Not Applicable	27,92,064	Not Applicable	20,69,310
Purchases		2,11,86,411		1,12,55,965
Consumption		2,24,21,777		1,05,33,211
Closing Stock		15,56,698		27,92,064
<b>iii. Furnace Oil [ LITRE ]</b>				
Opening Stock	NIL	NIL	NIL	NIL
Purchases	71,000	17,76,114	43,000	23,79,819
Consumption	64,562	13,54,248	43,000	23,79,819
Closing Stock	6,438	4,21,866	NIL	NIL

**Accompanying notes to the financial statements for the year ended 31st March, 2015**

(b) Licensed / Installed Capacity &amp; Production Quantities of manufactured product : -

<b>PARTICULARS</b>						
i) Production Capacity of Rubber prophylactics					503.51 Million pcs p. a.	
ii) Production, Turnover and Stock of Rubber Prophylactics (Quantity in Gross Rounded off)						
<b>PARTICULARS</b>	<b>Year Ended 31<sup>st</sup> March, 2015</b>			<b>Year Ended 31<sup>st</sup> March, 2014</b>		
	<b>MALE</b>	<b>FEMALE</b>	<b>TOTAL</b>	<b>MALE</b>	<b>FEMALE</b>	<b>TOTAL</b>
Opening Stock	1,28,412	12,937	1,41,349	1,43,112	118	1,43,230
Production	9,97,827	47,181	10,45,008	7,40,130	24,913	7,65,063
Sales ( Net )	10,17,459	54,225	10,71,684	7,54,830	12,114	7,66,944
Closing Stock	1,08,780	5,892	1,14,672	1,28,412	12,937	1,41,349

**F. 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
- b) Mr. Durgesh Garg : Brother's son of Mr. Omprakash Garg
- c) Mr. Pawan Bansal : Sister's son of Mr. Omprakash Garg

**ii) Transaction with Related Parties**

<b>No.</b>	<b>Parties</b>	<b>Details</b>	<b>2014-15</b>	<b>2013-14</b>
			<b>Amt in Rs. Lacs</b>	
<b>a.</b>	Mr. Omprakash Garg	Loan Taken during the year	-	<b>10.33</b>
		Loan Repaid during the year	<b>14.05</b>	
<b>b.</b>	Mr. Durgesh Garg (Relative of Mr. Omprakash)	Salary	<b>10.58</b>	<b>8.89</b>
		Loan Taken during the year	-	<b>0.25</b>
		Loan Repaid during the year	-	<b>0.25</b>
<b>c.</b>	Mr. Pawan Bansal (Relative of Mr. Omprakash)	Professional fees	<b>8.82</b>	<b>6.75</b>
<b>d.</b>	Mrs. Veena Garg (W/o of Mr. Omprakash)	Paid rent payable	<b>2.88</b>	-

**iii) Balance Outstanding of Related Parties :**

No.	Parties	Receivable / Payable	2014-15	2013-14
			Amt in Rs. Lacs	
a.	Mr. Omprakash Garg	Payable	-	14.05
b.	Mrs. Veena Garg	Payable	-	2.88

**As per our Report of even date attached  
For BHATTER & Co.**  
Chartered Accountants  
Firm Reg. No.131092W

**For and on behalf of Board of Directors of  
Cupid Limited**

**DAULAL H. BHATTER**  
Proprietor  
Membership No 16937

**OM PRAKASH GARG**  
Chairman & Managing Director  
DIN No. : 00140756

**PRADEEP KUMAR JAIN**  
Independent Director  
DIN No. : 01852819

Place : Mumbai  
Date : 18<sup>th</sup> May, 2015







# CUPID LIMITED

CIN NO.: L25193MH1993PLC070846

**Regd. Office :** A-68, M. I. D. C., (Malegaon), Sinnar, Nashik - 422113, Maharashtra, (India)  
Email Id.: corporateaccounts@cupidlimited.com • Website: www.cupidltd.in • Tel. 02551- 230280, 230772

## ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL  
Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER :

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I hereby record my presence at the 22<sup>nd</sup> ANNUAL GENERAL MEETING of the Company held on Monday, 28th September, 2015 at 10.00 a.m. at Regd.Office : A-68, M. I. D. C. (Malegaon), Sinnar, Nasik - 422 113, Maharastra at 10.00 a.m.

\*Applicable for investors holding shares in electronic form.

Signature of Shareholder / Proxy

# CUPID LIMITED

CIN NO.: L25193MH1993PLC070846

**Regd. Office :** A-68, M. I. D. C., (Malegaon), Sinnar, Nashik - 422113, Maharashtra, (India)  
Email Id.: corporateaccounts@cupidlimited.com • Website: www.cupidltd.in • Tel. 02551- 230280, 230772

## PROXY FORM

[Pursuant to section 105(6) of the Companies Ac, 2013  
and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) :		e-mail Id :	
Registered address :		Folio No / * Client Id :	
		* DP Id :	

I/We being the member(s) \_\_\_\_\_ of shares of Cupid Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **22<sup>nd</sup> Annual General Meeting** of the Company, to be held on Monday, 28<sup>th</sup> September, 2015 at 10.00 a.m. at Regd.Office : A-68, M. I. D. C., (Malegaon), Sinnar, Nashik - 422113, Maharashtra, (India).  
and at any adjournment thereof in respect of such resolutions as are indicated below:



\*\* I wish my above Proxy to vote in the manner as indicated in the box below :-

Resolutions		For	Against
1.	Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2.	Declaration of the Dividend on Equity Shares		
3.	Reappointment of Shri Omprakash Garg as Director of the Company liable to retire by rotation.		
4.	Appointment of Auditors and fixing their remuneration		
5.	Ratification of appointment of Smt. Veena Garg as Director		
6.	Ratification of appointment of Shri J. L. Sarma as Director.		
7.	Appointment of Shri J. L. Sarma as Independent Director.		
8.	Keeping of Register of Members other than at Registered office address		
9.	Payment of Remuneration to Whole time Director Shri Omprakash Garg		
10.	Appointment and payment of remuneration to Cost Auditors		

\* Applicable for investors holding shares in electronic form.

Affix a 15 paise  
Revenue Stamp

\_\_\_\_\_  
Signature of 1<sup>st</sup> proxy holder

\_\_\_\_\_  
Signature of 2<sup>nd</sup> proxy holder

\_\_\_\_\_  
Signature of 3<sup>rd</sup> proxy holder

\_\_\_\_\_  
Signature of Shareholder

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

**Notes:**

- (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) **A Proxy need not be a member of the Company.**
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\* (4) This is only optional. Please put a ( ✓ ) in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

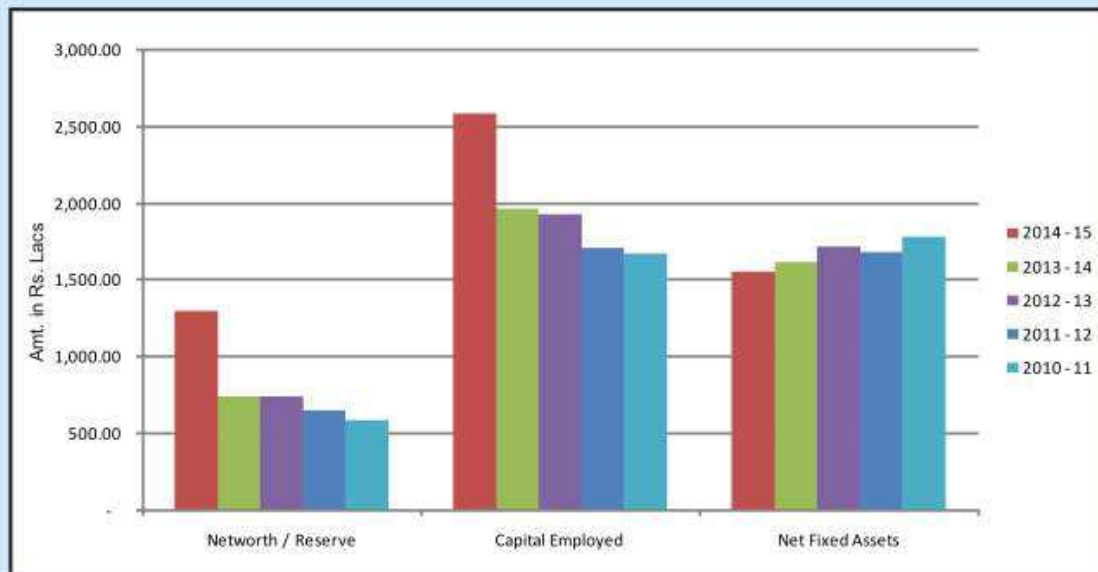
\*Applicable for investors holding shares in electronic form.

# CUPID LIMITED

## FINANCIAL GROWTH PATH

Amt in ₹ lacs

Particulars	2014 - 15	2013 - 14	2012 - 13	2011 - 12	2010 - 11
Equity Capital	1,111.50	1,111.50	1,111.50	971.00	897.29
Networth / Reserve	1,308.33	749.33	744.14	658.34	596.49
Capital Employed	2,590.83	1,969.28	1,932.06	1,712.45	1,681.50
Net Fixed Assets	1,561.24	1,627.51	1,720.49	1,684.18	1,785.44
Cash and Cash Equivalent	319.82	24.77	38.70	23.76	16.96
Trade Receivables	817.55	317.47	127.70	269.83	186.86
Trade Payables	186.59	229.98	153.43	241.09	223.24

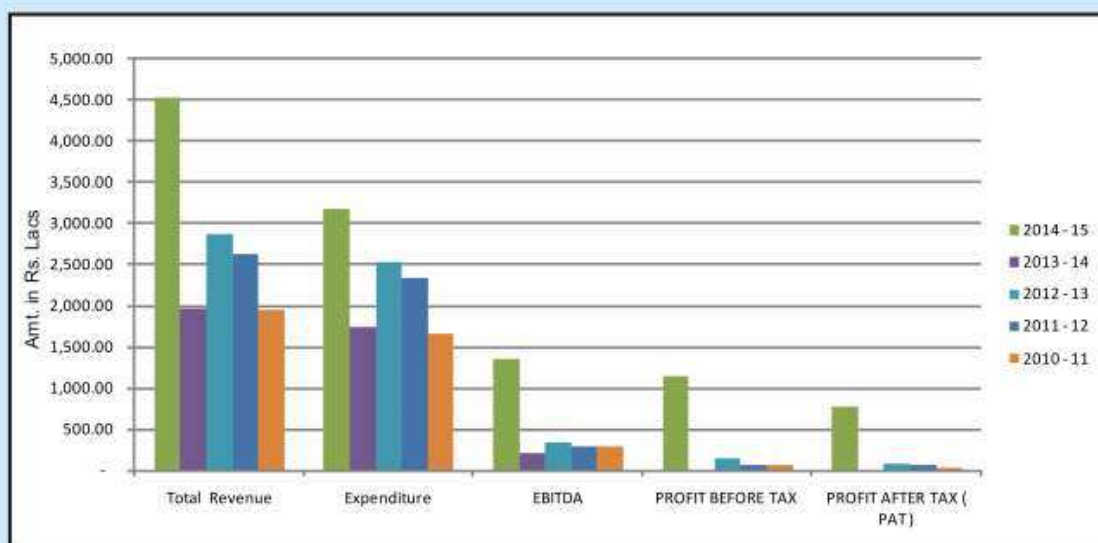


## OPERATING RESULTS

Amt in ₹ lacs

Particulars	2014 - 15	2013 - 14	2012 - 13	2011 - 12	2010 - 11
Revenue from Operation	4,444.05	1,953.39	2,839.89	2,597.76	1,911.10
Other than Operation	70.13	8.73	22.54	25.12	28.83
<b>Total Revenue</b>	<b>4,514.18</b>	<b>1,962.12</b>	<b>2,862.43</b>	<b>2,622.88</b>	<b>1,939.93</b>
Expenditure	3,160.79	1,741.75	2,531.31	2,327.40	1,651.83
<b>EBITDA</b>	<b>1,353.39</b>	<b>220.37</b>	<b>331.12</b>	<b>295.48</b>	<b>288.10</b>
<b>EBITDA ( % )</b>	<b>29.98</b>	<b>11.23</b>	<b>11.57</b>	<b>11.27</b>	<b>14.85</b>
Depreciation	183.21	150.63	141.90	137.27	137.66
Finance Cost	26.05	47.12	48.53	86.22	93.82
Exceptional items	0.48	11.83	3.61	-	-
<b>PROFIT BEFORE TAX</b>	<b>1,143.65</b>	<b>10.79</b>	<b>137.08</b>	<b>71.99</b>	<b>56.62</b>
Income Tax and Deferred Taxes	372.83	5.60	51.29	13.35	17.29
<b>PROFIT AFTER TAX ( PAT )</b>	<b>770.82</b>	<b>5.19</b>	<b>85.79</b>	<b>58.64</b>	<b>39.33</b>
<b>PAT ( % )</b>	<b>17.08</b>	<b>0.26</b>	<b>3.00</b>	<b>2.24</b>	<b>2.03</b>
Basic EPS	6.93	0.05	0.77	0.60	0.43
Diluted EPS	6.93	0.05	0.77	0.53	0.40
Cash EPS	8.58	1.40	2.05	2.02	1.97
Dividend #	1.50	-	-	-	-

# Include Interim Dividend of ₹ 1.00 per equity share already paid









Regd. Office :

## CUPID LIMITED

A-68, M.I.D.C., (Malegaon), Sinner, Nasik - 422 113, Maharashtra, (India)

Tel : - 02551 230 280 / 230 772

Email :- [info@cupidlimited.com](mailto:info@cupidlimited.com) • Website:- [www.cupidltd.in](http://www.cupidltd.in)

CIN No. : L25193MH1993PLC070846