



# CUPID LIMITED

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Manufacturer, Supplier and Exporter of  
Male - Female Condom & Lubricant Water-based

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*We Help The World Play Safe*

## ANNUAL REPORT 2020-2021

# Yes! Yes!

## Get ready for more with Cupid

Male Condom      Female Condom  
Lubricant Water-Based





# CUPID

**IT'S TIME  
TO  
EXPERIENCE  
AND  
ENJOY**

*Female  
Condom*



CUPID ANGEL  
FEMALE CONDOMS

Designed to enhance pleasure,  
protection and the power  
to change the rules. It's time, isn't it?

It's time to feel the change.

CUPID<sup>®</sup>  
angel

# CHAIRMAN'S MESSAGE



## Mr. Omprakash Garg

Chairman & Managing Director,  
Cupid Limited

### **Dear Shareholders,**

I am delighted to present before you the key highlights of our financial performance for fiscal 2021 along with future growth outlook. As you all know, our performance during the fiscal year was commendable against the challenging backdrop of economic contraction caused by Covid-19 pandemic. We remain confident of much better performance going forward on the back of improving demand environment.

We witnessed slightly muted results in FY2020-21 due to the negative impact of Covid-19 pandemic. We ended the year with a Total Operating Income of Rs 1,437.3 million (mn) as compared to Rs 1,612.5 mn in the corresponding period of the previous year. EBITDA stood at Rs 411.9 mn as compared to Rs 557.3 mn during the corresponding period of previous year. Net Profit stood at Rs 289.8 mn for FY21 as compared to Rs 398.4 mn in the corresponding period of the previous year. We have now been selling our products to over 93 countries and are in the process of registering our products in 8 new countries. Our exports contribution to overall sales was 84% for FY21.

During the year, Cupid entered into partnership with Invex Health Private Limited for the manufacturing of Medical Devices including various testing kits/diagnosing kits in order to capitalize on the immense demand opportunities in that space. In this regard, the Company has set up a state-of-the-art manufacturing facility that complies with the WHO Pre-qualification and USFDA for Manufacturing of Medical diagnostic tests for India and international markets and is in the process of getting required permission from the regulatory bodies. Initially, we expect business from government tenders across the world and in India, we expect to win tenders from the Central Government, Ministry of Health as well as from the State Governments. It is heartening to note that we have already received our first order for the supply of kits worth Rs 8.3 crores from the Government of UP and successfully executed the same.

# CHAIRMAN'S MESSAGE

We continue to look out for new growth opportunities and managed to register four new varieties of Cupid Male Condoms in US during the year. The ongoing contraceptive efficacy study in South Africa has been slightly delayed due to the Covid-19 pandemic and as such we hope to complete all the necessary formalities and obtain the USFDA approval to sell our Female Condoms in US approximately by the end of 2022. That would make us the second player to enter into the Female Condom space in the US which will provide us additional revenue opportunities.

The market for Male Condoms in India is extremely competitive and the profit margins are less than half of what we make in our export sales which has disincentivized us from making any meaningful investment to establish the B2C channel in India. In case of Female Condoms, the demand is limited in India because of lack of awareness among Indian women. Nevertheless, we have started selling Female Condoms in major cities in India through e-commerce platforms like Amazon and Flipkart. Also, we have started contract manufacturing with an Indian company for Cupid Female Condoms, and they would be selling directly to the consumer throughout the country. We expect sales to pick up over time as more and more women become aware of the usefulness of Female Condoms in fighting infections like HIV and also to prevent unintended pregnancies.

The second wave of Covid-19 pandemic has emerged as a major headwind to the growth outlook. However, demand environment for condoms continue to improve and Cupid being one of the lowest cost producers of high-quality condoms, stand to benefit tremendously from the increase in tenders being floated globally for the procurement of quality condoms. Our order book is expected to remain strong on the back of upcoming new tenders from South Africa and Brazil along with enquiries from new countries, including the Philippines, Russia, Bolivia, and countries in the Sub-Sahara African continent. Moreover, our foray into diagnostic business which is witnessing tremendous demand will also aid in improved overall performance. The performance of diagnostics business is expected to improve each year going forward due to increasing demand from not only Covid-19 infections but from other diseases like malaria, dengue, and HIV. Completion of IVD project at Nashik is likely to result in significant revenue contribution from the diagnostic business starting with the 3<sup>rd</sup> quarter of FY 22.

As I close, I would like to take this opportunity to thank all our shareholders who have supported us during both good and bad times. Also, I would like to express my gratitude to all Cupid employees who worked tirelessly with utmost dedication and helped us in achieving various milestones over the years.

**Best Regards,**

**Omprakash Garg  
Chairman & Managing Director**

# BOARD OF DIRECTORS

*Mr. Omprakash Garg*  
Chairman & Managing Director



*Mr. Jandhyala L. Sharma*  
Independent Director



# BOARD OF DIRECTORS

*Mrs. Veena Garg*  
Non Executive Director



*Mr. Pradeep Kumar Jain*  
Independent Director



# BOARD OF DIRECTORS

*Ms. Nalini Mishra*  
Independent Director



*Mr. Sureshchand Garg*  
Non Executive Director



# SOCIAL MEDIA



# CSR ACTIVITY

## Distribution of Sanitary Napkin Vending and Disposal Machines

### ७० ग्रामपंचायतींना सॅनिटरी व्हेंडिंग व डिस्पोजल मशीनचे वितरण



‘क्यूपीड’च्या सीएसआर फंडातून मिळाले मशीन

प्रतिनिधी | विनय

केवळ क्यूपीड रबर कारखान्याच्या वतीने सीएसआर फंडातून सॅनिटरी व्हेंडिंग, डिस्पोजल मशीनचे पंधाळा सहमतीने वितरण करण्यात आले.

माजी आमदार राजाबाऊ वाजे यांच्या अध्यक्षतेखाली झालेल्या कार्यक्रमास खासदार होमन गोडसे, सभापती शेफा बर्के, उपविभागीय अधिकारी पूजा गवळपाड, तहसिलदार राहुल कोताडे, नटविनास अधिकारी सधुबर मुकुटे, धुवनेने उदय संगळे, शिवसेनेचे उपजिल्हाप्रमुख वैष्णव खुळे, तालुकाप्रमुख रोमनाथ तुरे, शहराप्रमुख गीरव घारे, पंचायत समिती सदस्य जगन्नाथ भावडे,

‘मशीन कोपचात पडून राहू नये’

महिलेच्या अवरोधाचा प्रश्न हाताळण्यासाठी असल्याने ही बाब अतिशय चांगली असल्याचे माजी आमदार वाजे यांनी सांगितले. अचानकच आमदार असताना याच शाळांमध्ये ही मशीन देण्याचा प्रयत्न केला. तबामि प्रत्यक्षकीय मान्यतेत ते अडकून पडले. त्यानंतर जिल्हा परिषद अध्यक्षा शोतल सांगळे झाल्यानंतर त्यांच्या माध्यमातून याच शाळांमध्ये सॅनिटरी व्हेंडिंग मशीन बसविण्यात आल्याचे त्यांनी सांगितले.

संगीत चवसे, रोजिणी कांगरे, सुभन वडे, सोमनाथरावचे सरपंच भगत कोळटे यांच्यासह तालुक्यातील ग्रामपंचायतींचे सरपंच उपस्थित होते. खासदार गोडसे, माजी आमदार वाजे यांच्या हस्ते क्यूपीड रबरचे संचालक दुर्गास रम यांचे व्हॉल करणयात आले. हायजी केअरचे अकिल आवाळ, चारदात चिंगारकर, प्रदीप कोटुळे यांनी उपस्थितांना मशीनचे प्रात्यक्षिक दाखवले.

खासदार गोडसे यांनी क्यूपीड

रबर कारखान्याचे कौतुक करतानाच सामाजिक दायित्व निभावणाऱ्या कारखान्यांच्या निघोन ही कामे किनाअडथळा पार पाडता येऊन. कारखान्यांनी सामाजिक बांधिलकीचा हेतु ममोर ठेवून मदत करावी, असे सांगितले. उदय सांगळे यांनी सूत्रसंचालन केले. खासदार गोडसे, माजी आमदार वाजे, दुर्गास रम यांच्या हस्ते ग्रामपंचायतींना सॅनिटरी व्हेंडिंग व डिस्पोजल मशीनचे वितरण करण्यात आले.



## Donation to Shri Rama Krishna Arogya Sansthan for construction of hospital



## Donation to Yuva Mitra for Menstrual Hygiene Programme





## COMPANY INFORMATION

### BOARD OF DIRECTORS

#### CHAIRMAN & MANAGING DIRECTOR

Mr. Omprakash Chhangamal Garg

### NON EXECUTIVE & NON INDEPENDENT DIRECTOR

Mrs. Veena Omprakash Garg

Mr. Suresh Chand Chhangamal Garg

### INDEPENDENT & NON EXECUTIVE DIRECTORS

Mr. Pradeep Kumar Jain

Mr. Jandhyala L. Sharma

Ms. Nalini Madhusudan Mishra

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Saurabh V. Karmase

### CHIEF FINANCIAL OFFICER

Mr. Narendra M. Joshi

### REGISTERED OFFICE & FACTORY ADDRESS

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

CIN No. : L25193MH1993PLC070846

Tel : 02551 - 230 280 / 230 772

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

Website : [www.cupidlimited.com](http://www.cupidlimited.com)

### AUDITORS

**Chaturvedi Sohan & co.**

Chartered Accountants

Mumbai.

### SECRETARIAL AUDITORS

**CS Shailesh Kachalia**

Practicing Company Secretary

Mumbai.

### REGISTRARS & SHARE TRANSFER AGENTS

**Bigshare Services Private Limited**

CIN No: U99999MH1994PTC076534

### Corporate Office :

1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai 400059

Tel: - 022 – 62638200

Email: - [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

Website: - [www.bigshareonline.com](http://www.bigshareonline.com)

### BANKERS

DBS Bank India Limited

Kotak Mahindra Bank Limited

HDFC Bank Limited

State Bank of India



## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 28th Annual General Meeting of the Shareholders of CUPID LIMITED will be held on Tuesday, 28th September, 2021 at 12.00 noon through two-way Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility, to transact the following business: -

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended 31st March, 2021 together with 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 Mrs. Veena Garg (DIN: 03456648), who retires by rotation and being eligible, offers herself for re-appointment.

### **SPECIAL BUSINESS**

4. Payment of Commission to Non-Executive Directors based on Net Profits of the Company.

To pass the following resolution as Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Regulation 17(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s) or modification(s) thereto for the time being in force) and Section 197 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act') and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the company be and is hereby accorded to the payment of commission of a sum not exceeding 0.60% of the annual net profits of the Company computed in accordance with the provisions of Section 197 read with Section 198 of the Act, to Non-Executive Directors of the Company (other than Executive Director) in equal proportion for a period of one (1) year and such payment shall be made in respect of the profit of the Company for the financial year commencing from April 01, 2021 to March 31, 2022.

**RESOLVED FURTHER THAT** the above commission shall be in addition to the sitting fees payable to the Director(s) for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.

5. Approval to enter in to Related Party Transactions.

To pass the following resolution as Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of section 188 and all other applicable provisions if any of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirement), 2015 (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, sanctions and permissions as may be necessary, consent of the members of the company be and is hereby accorded to the board of directors of the company to enter into contracts / agreements / arrangements / transactions (including any modifications, alterations or amendments thereto) with related parties as defined under the Act and SEBI (Listing Obligations and Disclosure Requirement), 2015 with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such related party to any office or place of profit in the company, or its subsidiary or associate company or any other transactions of whatever nature with related parties up to the maximum of INR 30 Crore per annum for the period of 5 financial



years commencing from 2021-22 to 2025-26 as provided in the table provided in and forming part of the explanatory statement.

**RESOLVED FURTHER THAT** the board of directors of the company, be and is hereby authorised to determine the actual sums to be involved in the proposed transactions and the terms and conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds and things that may be necessary, proper, desirable or expedient to give effect to this resolution.

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

**Saurabh V. Karmase**  
**Company Secretary and Compliance Officer**  
**ECSIN: EA041701A000083921**

**CIN No. : L25193MH1993PLC070846**

Website: [www.cupidlimited.com](http://www.cupidlimited.com)

Email: [cs@cupidlited.com](mailto:cs@cupidlited.com)

**REGISTERED OFFICE**

A-68, M. I. D. C. (Malegaon), Sinnar, Nashik,

Maharashtra- 422113

Place : Mumbai

Date : 12th August, 2021

**NOTES**

1. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013 ('the Act') Secretarial Standard – 2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') in respect of the Special Business under Item No. 4 & Item No. 5 of the accompanying Notice is annexed hereto.
2. The Register of Members and Share Transfer Register of the Company will remain closed from Tuesday, 21st September, 2021 to Tuesday, 28th September, 2021 (both days inclusive).
3. The dividend on Equity Shares, if declared at the AGM, will be payable on or after September 29, 2021 to those members :
  - a) Whose names appear as Members in the Register of Members of the Company on September 20, 2021; and
  - b) Whose names appear as Beneficial Owners in the list of Beneficial Owners as on September 20, 2021 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
4. In view of the ongoing COVID-19 pandemic and pursuant to the Circular No. 20/2020 dated May 5, 2020 read with Circular No. 14/ 2020 dated April 8, 2020 and Circular No. 17/ 2020 dated April 13, 2020 and by General Circular No. 02/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") issued by the Ministry of Corporate Affairs ("MCA") and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India ("SEBI") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has decided to hold its 28th AGM through Video-conferencing ("VC") or other audio



visual means ("OAVM") (hereinafter referred to as "electronic means") i.e. without the physical presence of the Members.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
8. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.cupidlimited.com](http://www.cupidlimited.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
10. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
11. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021.
12. Documents referred to in any of the items in the Notice are available for inspection through electronic mode. Members may write to the Company on [cs@cupidlimited.com](mailto:cs@cupidlimited.com) for inspection of said documents.
13. 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.

14. 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. (RTA).
15. Non-Resident Indian Members are requested to inform RTA immediately of (in case of shares held in physical form)
  - (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.
16. 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.
17. A statement giving the details of the Director seeking re-appointment under the item no. 3 of the accompanying Notice, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 issued by the Institute of Company Secretaries of India, is annexed hereto.
18. 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 regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 (remote e-voting).
  - (ii) The members who have cast their vote by remote e-voting shall not be entitled to cast their vote again at the Annual General Meeting.
  - (iii) The Company has engaged the services of M/s. Central Depository Services Limited as the Agency to provide e-voting facility.
  - (iv) The Board of Directors of the Company has appointed Shri Shailesh Kachalia, a Practicing Company Secretary, Mumbai as Scrutinizer to scrutinise the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for said purpose.
  - (v) 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. 21st September, 2021.
  - (vi) 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. 21st September, 2021 only shall be entitled to avail the facility of remote e-voting / e-voting at AGM.
  - (vii) 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. 21st September, 2021 may obtain the User ID and password in the manner as mentioned at point no. 17 of the Notice or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com):-
  - (viii) The remote e-voting facility will be available during the following period:



The voting period begins on 25th September, 2021 at 9.00 a.m. and ends on 27th September, 2021 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.

- (ix) The Scrutinizer, after scrutinising the votes cast at the meeting through e-voting and through remote e-voting, will, not later than two working 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 at [www.cupidlimited.com](http://www.cupidlimited.com), on the notice board of the company and on the website of M/s. Central Depository Services Limited at [www.evotingindia.com](http://www.evotingindia.com). The results shall simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited.
- (x) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting, i.e. 28th September, 2021.

19. The instructions for shareholders voting electronically are as under: -

- (i) The voting period begins on 25th September, 2021 at 9.00 a.m. and ends on 27th September, 2021 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 i.e. 21st September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:



Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company</p>



	name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders:
- (1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (2) Click on “SHAREHOLDERS” module.
  - (3) 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.
  - (4) Next enter the Image Verification as displayed and Click on Login.
  - (5) 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.
  - (6) If you are a first time user follow the steps given below:



For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN *	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>❖ Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</p>
Dividend Bank Details OR DOB	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>❖ If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- (7) After entering these details appropriately, click on “SUBMIT” tab.
- (8) Members holding shares in physical form will then reach directly the Company selection screen. However, 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.

- (9) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (10) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (11) 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.
- (12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (13) 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.
- (14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (15) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (16) 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.
- (17) Facility for Non – Individual Shareholders and Custodians – Remote Voting
  - 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.



- 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).
- 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.
- 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.
- 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.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz. [cs@cupidlimited.com](mailto:cs@cupidlimited.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same

#### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 15 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@cupidlimited.com](mailto:cs@cupidlimited.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 15 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@cupidlimited.com](mailto:cs@cupidlimited.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same



shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**STATEMENT OF MATERIAL FACTS 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. 4:**

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors and to acknowledge their contribution to the growth of the Company, it is proposed to pay commission to the Non-Executive Directors (NED's) based on Annual Net Profits of the Company for a period of one (1) financial year commencing from April 01, 2021 to March 31, 2022.

Such payment will be in addition to the sitting fees for attending the Board / Committee meetings or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board / Committee meetings.

All the NED's of the Company and their relatives may be deemed to be concerned or interested in the aforesaid resolution to the extent of the commission that may be received by them in the Resolution set out at Item No. 4. The Board of Directors recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

Save and except the above, none of the other Directors / and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the Key Managerial Personnel (KMP) / their relatives are in any way concerned or interested financially or otherwise in the resolution set-out at ITEM No. 4 of the notice of the meeting.

**Item No. 5:**

Pursuant to provisions of Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section require a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of ordinary resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule 15 of the said Rules.

As per regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement)

Regulations, 2015, ("SEBI LODR") also requires that all material related party transactions shall require approval of the shareholders through ordinary resolution.

Accordingly, on recommendation of Audit Committee and Meeting of the Board of Directors held on 12th August, 2021 approved related party transactions and now seek approval of the shareholders by way of Ordinary Resolution under Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015 to enable the Company to enter into following related Party Transactions for a block of 5 years from FY 2021-22 to FY 2025-26. The transactions under consideration, is proposed to be entered into by the Company with Selo Health Private Limited.

Particulars of contracts / agreements / arrangements / transactions with Selo Health Private Limited are mentioned as under:



Sr. No.	Name of Related Party	Nature of Relationship	Estimated Amount	Nature of Transactions
1	Seloi Healthcare Private Limited	Associate Company	INR 30 Crore Per Annum	sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such related party to any office or place of profit in the company, or its subsidiary or associate company or any other transactions of whatever nature.

For and on behalf of the Board of Directors

Saurabh V. Karmase  
Company Secretary and Compliance Officer  
ECSIN: EA041701A000083921

CIN No. : L25193MH1993PLC070846

Website: [www.cupidlimited.com](http://www.cupidlimited.com)

Email: [cs@cupidlited.com](mailto:cs@cupidlited.com)

REGISTERED OFFICE

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

Place: Mumbai

Date: 12th August, 2021

**DETAILS OF DIRECTORS SEEKING RE – APPOINTMENT AT THE  
FORTHCOMING ANNUAL GENERAL MEETING**

[In pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	Mrs. Veena Garg
DIN	03456648
Date of Birth	30th December, 1951
Date of first appointment	28th October, 2014
Qualification	B. A.
Expertise	26 years' experience in management and administration.
Number of meeting of board attended during the year	All 4 meetings held during the year has been attended by her.
Directorships held in other companies as on 31st March, 2021	Tycoon Finlease Private Limited
Membership / Chairmanship of the Committees of other Companies as on 31st March, 2021	NIL
Shareholding in Cupid Limited	59,53,800
Relationship with Directors and Key Managerial Personnel	Spouse of Mr. Omprakash Garg and Sister-in-Law of Mr. Suresh Chand Garg.

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

**Saurabh V. Karmase**  
**Company Secretary and Compliance Officer**  
**ECSIN: EA041701A000083921**

**CIN No. : L25193MH1993PLC070846**

**Website: [www.cupidlimited.com](http://www.cupidlimited.com)**

**Email: [cs@cupidlimited.com](mailto:cs@cupidlimited.com)**

**REGISTERED OFFICE**

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

**Place: Mumbai**

**Date: 12th August, 2021**



## DIRECTORS' REPORT

To,

The Members,

The Board of Directors is pleased to present herewith the 28th Annual Report of your Company together with the Audited financial statements for the year ended 31st March, 2021. The Management Discussion and Analysis has been annexed to the Directors Report.

### **FINANCIAL RESULTS**

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

( Rs. in Lacs )

Particulars	For the financial year 2021 (FY21)	For the financial year 2020 (FY20)
Operating Revenues / Turnover	14,890.03	16,464.54
<b>Profit before Depreciation &amp; Amortization, Finance charges</b>	<b>4,119.39</b>	<b>5,573.22</b>
Depreciation & Amortization	259.89	249.96
Finance Charges	39.40	52.85
<b>Profit / (Loss) before tax</b>	<b>3,820.10</b>	<b>5,270.41</b>
Provision for taxation (incl. deferred tax)	921.77	1,286.35
<b>Profit / (Loss) after tax</b>	<b>2,898.33</b>	<b>3,984.06</b>

During the year under review, the Company registered stable performance despite external challenges due to Covid-19 pandemic. Operating revenues stood at Rs. 14,890.03 lacs in FY21 compared to Rs. 16,464.54 lacs in FY20. Decline in revenue was due to the nationwide lockdown imposed by the Government of India on account of the outbreak of COVID-19 virus leading to temporary shut-down of the Company's manufacturing facilities and operations during the first quarter. EBITDA margins declined to 28.7% in FY21 against 34.6% in FY20. Out of the total operating revenues, the Male Condoms contributed about 52% in value terms as against 37% for the Female Condoms, Others (Water Based Lubricant Jelly, Hand sanitizer, Hair Removal, Sale of raw material) contributed 5% and IVD sale was around 6%.

On an absolute basis, EBITDA declined by 26% from Rs. 5,573.22 lacs in FY20 to Rs. 4,119.39 lacs in FY21. At the net profit level, we closed this financial year with a net profit of Rs. 2,898.33 lacs as against Rs. 3,984.06 lacs in the previous year.

### **UPDATE ON COVID – 19 PANDEMIC:**

By the end of FY 2020-21, India witnessed a threatening second wave of COVID-19 and in the wake of rising number of COVID-19 cases, localised lockdown was imposed in major cities throughout the country. In this environment of the 'new normal', we maintained business continuity through a balanced product mix and continuous product innovation in the form of IVD (in vitro diagnostic devices). The Company does not anticipate any challenges in its ability to continue as going concern or meeting its financial obligations.

**DIVIDEND**

Your Board of Directors' had declared 1st interim dividend of Re. 1 (i. e. 10%) per equity share at their meeting held on 5th November, 2020. Further, Board also recommended final dividend of Rs. 3.50 (i.e. 35%) per equity share for FY 2020-21 at their meeting held on 3rd June, 2021 which is subject to approval of shareholders in the ensuing AGM. Hence, during the year, the Company will pay a total dividend of Rs. 4.50 (i.e. 45%) per equity share if the final dividend will be approved by shareholders.

**RESERVES**

The whole of profit after tax has been transferred to Profit & Loss account. Interim Dividend is paid and Final Dividend provision is adjusted in the Profit & Loss account. There is no other amount that has been proposed to be carried to any other reserves.

**CHANGE IN NATURE OF BUSINESS**

The Company manufactures Male and Female Rubber Contraceptives and Lubricant Jelly. Further, during the year under review the company has diversified into the business of In Vitro Diagnostic Devices (IVD).

**SHARE CAPITAL**

The paid up Equity Share Capital as at 31st March, 2021 is Rs. 1,333.80 Lac (Thirteen Crores Thirty Three Lacs and Eighty 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 2021, 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 Indian Accounting Standard (IND AS). 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, 2021. There is no audit qualification in financial statements by the statutory auditors for the year under review.

**LOANS, GUARANTEES & INVESTMENTS**

Details of Loans, 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 not 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**

During the year under review, the Company has not entered into any contracts or arrangements with related parties referred to in Section 188 of the Companies Act, 2013 and providing the information in the prescribed Form AOC-2 are not applicable to the Company. There are no transactions with related parties except those indicated in notes to accounts.

**INTERNAL CONTROL SYSTEMS**

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

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

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 has been posted on website of the Company at below link:-

[https://www.cupidlimited.com/wp-content/uploads/2020/07/05\\_002\\_CG\\_Whistlerblower.pdf](https://www.cupidlimited.com/wp-content/uploads/2020/07/05_002_CG_Whistlerblower.pdf)

**RISK MANAGEMENT**

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.

**PERFORMANCE EVALUATION OF BOARD**

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 them, which inter alia explains the role, function, duties and responsibilities expected of them as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same.

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.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Veena Garg, Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers herself for re-appointment.

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The following are the Key Managerial Personnel of the company:

Mr. Omprakash Garg: - Chairman and Managing Director

Mr. Saurabh V. Karmase: - Company Secretary and Compliance Officer

Mr. Narendra M. Joshi: - Chief Financial Officer

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report on the operations of the Company, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an integral part of this Report.

**BOARD MEETINGS**

During the year under review, the Company has conducted 4 Board Meetings on the following dates: 30th June, 2020; 26th August, 2020; 5th November, 2020 and 10th February, 2021. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**COMMITTEES OF THE BOARD**

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

**STATUTORY AUDITORS**

M/s. Chaturvedi Sohan & Co., Chartered Accountants, Mumbai were appointed as Statutory Auditors of the company at 24th Annual General Meeting which was held on 7th September, 2017 to hold the office as Statutory Auditor from the conclusion of 24th Annual General Meeting till conclusion of 29th Annual General Meeting of the company subject to ratification by the members of the company at every Annual General Meeting.

Further, as per the Companies (Amendment) Act, 2017, the provision of ratification by the members at every Annual General Meeting has been deleted w.e.f. 7th May, 2018. Accordingly there is no need to ratify their appointment in the ensuing Annual General Meeting of the company.

**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 as "annexure 1" and forms part of the Board Report.

**OBSERVATIONS – AUDITOR & SECRETARIAL AUDITOR**

There are no qualifications contained in the Auditors Report. The company has complied with effect from 26th August, 2020 on observations made in Secretarial Audit Report regarding appointment of one Independent Woman Director on the board of the company and increase the number of directors on the board up to 6 with effect from 1st April, 2020.

**ANNUAL RETURN**

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Companies (Management and Administration) Rules, 2014, the Annual Return of the Company in Form MGT-7 has been placed on the Company's website [www.cupidlimited.com](http://www.cupidlimited.com).

**MATERIAL CHANGES AND COMMITMENTS**

The company acquired 40% stake / securities along with management control of Selo Health Private Limited on 14th April, 2021. Selo Health possesses essential licenses with regard to In Vitro Diagnostic Devices (IVD's) business, it will be beneficial for Cupid Limited to strengthen its newly formed diagnostic division.

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

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

**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 took 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.

**CORPORATE GOVERNANCE**

As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on 'Report on Corporate Governance' practices followed by the Company, together with a certificate from the Auditors' of the Company confirming compliances forms integral part of this Report.

**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, 2021, 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, 2021 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 equipment's for conservation of energy. As a stand-by arrangement in case of no supply of electricity, the Company has installed generator set.



- ii. The cumulative effect of the Energy conservation steps taken by the Company has considerably reduced the consumption of Energy and saved the cost.
- iii. The Company has installed Solar in its manufacturing facility for Energy conservation.
- iv. 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. 13,757.21 Lacs (Previous year Rs. 13,952.99 Lacs) through exports, whereas the Company paid / payable foreign exchange of Rs. 68.04 Lacs (Previous Year Rs. 95.73 Lacs) towards machinery / equipment's. Further payments made in foreign exchange of Rs. 3,634.21 Lacs (Previous Year Rs. 3,639.30 Lacs) towards other expenses.

**CORPORATE SOCIAL RESPONSIBILITY**

In terms of the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee which is chaired by Mr. Pradeep Kumar Jain, Independent Director of the Company, the other members of the committee are Mr. Omprakash Garg, Chairman and Managing Director and Mr. Jandhyala L. Sharma, Independent Director. Your Company also has in place a CSR policy and the same is available on the website of the Company at [https://www.cupidlimited.com/wp-content/uploads/2020/07/05\\_001\\_CG\\_01CSR-Policy.pdf](https://www.cupidlimited.com/wp-content/uploads/2020/07/05_001_CG_01CSR-Policy.pdf). A detailed report as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as "Annexure 2" forming part of this report.

**AUDIT COMMITTEE**

The Audit Committee now headed by Shri. Pradeep Kumar Jain as Chairman of the committee. Shri. Omprakash Garg and Shri. Jandhyala L. Sharma are 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 Nomination and Remuneration Committee is headed by Shri. Pradeep Kumar Jain as Chairman of the committee. Shri. Jandhyala L. Sharma and Mrs. Veena Garg are the members of committee. During the year there were no instances where the Board had not accepted the recommendations of the Nomination and Remuneration Committee.

**STAKEHOLDER RELATIONSHIP COMMITTEE**

The Stakeholder Relationship Committee is headed by Shri. Pradeep Kumar Jain as Chairman of the committee. Mr. Omprakash Garg and Mrs. Veena Garg are the members of committee. During the year there were no instances where the Board had not accepted the recommendations of the Stakeholder Relationship Committee.

**PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Independent Directors is carried out by other non-independent directors on the basis of their contribution towards important aspects



of the company and active participation on the board. The Directors express their satisfaction with the evaluation process.

Further, the company have constituted Performance Evaluation Policy to evaluate the performance of Independent Directors and the said policy is available on the website of the company at [https://www.cupidlimited.com/wp-content/uploads/2020/07/Performance\\_Evaluation.pdf](https://www.cupidlimited.com/wp-content/uploads/2020/07/Performance_Evaluation.pdf)

### **REMUNERATION OF DIRECTORS**

Pecuniary Relationship or Transactions with the Non-Executive Directors:

There was no any pecuniary relationship or transaction took place between the company and its non-executive directors.

Criteria of making payments to non-executive directors:

Company is paying the sitting fees as decided by the board for attending the board meetings and various committee meetings and profit related commission as approved by the shareholders to all the non-executive directors. Further, Company reimburses out of pocket expenses incurred by all the non-executive directors of the Company in connection with various affairs of the company.

### **PARTICULARS OF EMPLOYEE**

The disclosure required under section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as “Annexure 3”.

The statement of particulars of employees pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Annual Report and attached as “Annexure 4”.

### **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company takes pride in the competence, dedication and commitment of its employees in all sectors of the business. The Company has a structured training and management development programs to upgrade skills of employees of the company. Objective appraisal systems are in place for senior management staff.

The Company is committed to enhancing and retaining its top talent through superior learning and organizational development. This is a part of our Human Resource function and is an essential pillar to support the organization's growth and its sustainability in the long run.

The company is strongly giving emphasis on maintaining its current industrial relations and developing the new ones.

### **COST AUDITORS**

As per the Companies (cost records and audit) Rules, 2014 and the amendments made thereof notified by Ministry of Corporate Affairs, cost audit is not applicable to the company. Therefore the board did not proceed with the appointment of cost auditor and cost audit for the year 2021-22. The company is properly maintaining its cost record internally.

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

Company doesn't have any Subsidiaries or Joint Ventures or Associate companies as on March 31, 2021 as defined under the Companies Act, 2013 and hence providing the information in the prescribed Form AOC-1 is not applicable to the Company.

### **CAUTIONARY STATEMENT**

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's



objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and other ancillary factors.

**APPRECIATION**

Your Directors would like to express their grateful appreciation for the contribution made by the employees at all levels. Your Directors are also deeply grateful for the confidence and faith shown by the Shareholders of the Company in them. Your Directors also wish to thank its customers, dealers, agents, suppliers and bankers for their continued support and faith reposed in the Company.

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

**Omprakash Garg**  
**Chairman & Managing Director**  
**Din No: 00140756**

**CIN No. : L25193MH1993PLC070846**

**Website: [www.cupidlimited.com](http://www.cupidlimited.com)**

**Email: [cs@cupidlimited.com](mailto:cs@cupidlimited.com)**

**REGISTERED OFFICE**

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

**Place: Ohio, USA**

**Date: 12th August, 2021**



## ANNEXURE 1

### FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

and rule 9 of the Companies (Appointment and Remuneration of Managerial 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 31st March, 2021 ('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 31st March, 2021 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
  - (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; **(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 applicable to the 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).**

**Laws Specifically Applicable: -**

- a. Drugs & Cosmetics Act, 1940 & Rules 1945. (Under Food & Drugs Administration, Maharashtra)
- b. Drugs (Price Controls) Order 2013 (Under Food & Drugs Administration, Maharashtra)
- c. Drugs & Magic Remedies (objectionable Advertisement) Act, 1954 & Rules 1955. (Under Food & Drugs Administration, Maharashtra). I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India.
- b. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, as 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 company has appointed one non-executive non-independent director and one woman independent director on the Board of Directors of the company during the period under review.

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.

Majority 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:

*The Company could not appoint one Independent Woman Director on the board of the company and increase the number of directors on the board up to 6 with effect from 1st April, 2020. However, the company has complied with the said requirements with effect from 26th August, 2020.*

I further report that during the audit period, the Company has passed following Special Resolutions in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards:

1. Reappointment of Mr. Omprakash Garg, as Chairman and Managing Director of the Company.
2. Payment of Commission to Non-Executive Directors based on Net Profits of the Company.

**SHAILESH KACHALIA**

Practicing Company Secretary

Proprietor

Membership No.: F1391 / CP No.: 3888

UDIN: F001391C000790113

Peer Review Cert. No.: 628/2019

Place: Mumbai

Date: 12th August, 2021

Note: This report is to be read with my letter of even date which is annexed as "Annexure A" and forms an integral part of this report.



## **“Annexure A”**

To  
Members of  
Cupid Limited,

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test-check basis.
5. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**SHAILESH KACHALIA**

Practicing Company Secretary

Proprietor

Membership No.: F1391 / CP No.: 3888

UDIN: F001391C000790113

Peer Review Cert. No.: 628/2019

Place : Mumbai

Date : 12th August, 2021



## ANNEXURE - 2

### ANNUAL REPORT ON CSR INITIATIVES

[Particulars required as per Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time]

#### 1. Brief outline on CSR Policy of the Company:-

The Company had proposed to undertake activities relating to Promotion of Education and Healthcare during the year under review. The activities and funding are monitored internally by the Company.

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR policy and projects or programs undertaken by the Company are available on the website of the company.

#### 2. The Composition of the CSR Committee: -

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Pradeep Kumar Jain	Chairman, Independent, Non-Executive Director	1	1
2	Mr. Omprakash Garg	Member, Non-Independent, Executive Director	1	1
3	Mr. Jandhyala L. Sharma	Member, Independent, Non-Executive Director	1	1

#### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

Composition of the CSR committee shared above and is available on the Company's website on <https://www.cupidlimited.com/directors-kmp/>

CSR policy – [https://www.cupidlimited.com/wp-content/uploads/2020/07/05\\_001\\_CG\\_01CSR-Policy.pdf](https://www.cupidlimited.com/wp-content/uploads/2020/07/05_001_CG_01CSR-Policy.pdf)

CSR projects - <https://www.cupidlimited.com/csr-projects/>

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

#### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any



Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
	-	NIL	NIL

6. **Average net profit of the company as per section 135(5):** INR 3,367.92 Lacs
7. (a) **Two percent of average net profit of the Company as per section 135(5):** INR 67.36 Lacs
- (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL
- (c) **Amount required to be set off for the financial year, if any:** NIL
- (d) **Total CSR obligation for the financial year (7a+7b-7c):** INR 67.36 Lacs
8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (Rs. In Lacs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount. (Rs. In Lacs)	Date of transfer	Name of the Fund	Amount.	Date of transfer
31	36.50	30th April, 2021	-	NIL	-


**(b) Details of CSR amount spent against ongoing projects for the financial year:**

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the Project.		Project Duration.	Amount allocated for the project (Rs. In Lacs).	Amount spent in the current financial Year (Rs. In Lacs).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. In Lacs).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
1	Promoting Education – Construction of necessary infrastructure and providing of various educational equipment's to 6 ZP Schools	(ii)	Yes	Maha-rashtra	Nashik	2.5 Years	30.50	NIL	30.50	Yes	-	-
2	Healthcare - Installation of sanitary napkin vending machines and disposal machines in various rural areas of Nashik.	(i)	Yes	Maha-rashtra	Nashik	1 Year	12	6	6	Yes	-	-
<b>Total</b>							<b>42.50</b>	<b>6</b>	<b>36.50</b>			



**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (Rs.in Lacs).	Mode of implementation Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration Number
1	Healthcare - execution of Menstrual Hygiene Management Program.	(i)	Yes	Maharashtra	Nashik	10	No	Yuva Mitra	CSR00000080
2	Healthcare - construction of hospital for providing medical facilities to the weaker section of society.	(i)	Yes	Maharashtra	Nashik	15	No	Shri Ramakrishna Arogya Sansthan	CSR00006766
Total						25			

**(d) Amount spent in Administrative Overheads: NIL**

**(e) Amount spent on Impact Assessment, if applicable: Not Applicable**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): INR 31 Lacs**

**(g) Excess amount for set off, if any:**

Sr. No.	Particular	Amount (in Rs.)
i.	Two percent of average net profit of the company as per section 135(5)	INR 67.36 Lacs
ii.	Total amount spent for the Financial Year	INR 31 Lacs
iii.	Excess amount spent for the financial year [(ii)-(i)]	NIL
iv.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL


**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1	-	NIL	-	-	NIL	-	-
	<b>TOTAL</b>						

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (Rs. In Lacs)	Amount spent on the project in the reporting Financial Year (Rs. In Lacs)	Cumulative amount spent at the end of reporting Financial Year. (Rs. In Lacs)	Status of the project - Completed /Ongoing.
1	Traffic Island	Construction of Traffic Island at City Center Mall Chowk, Nashik	2019-20	2 Years	22.45	5.45	22.45	Completed
2	Dining Hall	Construction of Dining Hall in ZP School situated in Wadjire Village, Sinnar, Nashik	2019-20	2 Years	12.63	5.27	12.63	Completed
3	Classrooms	Construction of classrooms in ZP School situated at Dubere Village, Sinnar, Nashik	2019-20	2 Years	8.30	8.30	8.30	Completed
	<b>TOTAL</b>				<b>43.38</b>	<b>19.02</b>	<b>43.38</b>	



10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).
- (a) Date of creation or acquisition of the capital asset(s): None
  - (b) Amount of CSR spent for creation or acquisition of capital asset: NIL
  - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
  - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): Out of total allocated amount of INR 67.50 Lacs on CSR projects, company has spent INR 31 Lacs during the financial year and remaining amount of INR 36.50 Lacs transferred to Unspent CSR Account which will be spend on allocated CSR projects as per decided timelines.

**Pradeep Kumar Jain**  
Chairman of CSR Committee

**Omprakash Garg**  
Member of CSR Committee /  
Chairman and Managing Director

**ANNEXURE – 3****DISCLOSURE IN DIRECTORS REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Sr. No.	Requirements	Disclosure	
		Name of the Director	Ratio
1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	Mr. Omprakash Garg	31.63X
		1. The median remuneration of employees of the Company was Rs. 4.61 lacs. 2. For this purpose, Sitting Fees and Profit Related Commission paid to the Directors have not been considered as remuneration. 3. Figures have been rounded off wherever necessary.	
2	The percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary in the financial year.	Mr. Omprakash Garg-MD	-14.61 % *
		Mr. Saurabh Karmase-CS	15.50 %
		Mr. Narendra Joshi-CFO	9.59 %
3	The percentage increase / decrease in the median remuneration of employees in the financial year.	During FY 2021, the percentage increase in the median remuneration of employees as compared to previous year was approximately 14.11 %.	
4	The number of permanent employees on the rolls of company.	There were 124 employees as on March 31, 2021.	
5	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase in remuneration is 16.52 % for Employees other than Managerial Personnel.	
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, it is confirmed.	

\* Terms of remuneration of Mr. Omprakash Garg for FY 2020-21 are same as that of FY 2019-20. Percentage decrease in his remuneration is due to 2% profit related commission calculated under section 198 of Companies Act, 2013 on declined profit of FY 2020-21 as compared to FY 2019-20.



## ANNEXURE – 4

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

#### TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING FY 2020-21: -

Sr. No.	Employee Name	Designation	Remuneration Received	Qualification	Age	Total Experience	Date of Commencement of Employment	Previous Employment
			(Rs. in Lakhs)		(Years)	(Years)		
1.	Mr. Omprakash Garg	Chairman and Managing Director	145.82	M.Sc.	77	51	16/08/1994	-
2.	Mr. Durgesh Garg	Chief Operating Officer	29.87	B.Com	51	28	01/04/1996	-
3.	Mr. Pawan Bansal	Senior Marketing Manager	19.77	B.Com	57	29	01/04/2016	-
4.	Mr. Subhash Sonje	DGM (Operations)	18.15	B.Sc.	55	31	16/09/1996	Chemist at Fiber Foam Pvt. Ltd.
5.	Mr. Nithyananda	DGM (Operations)	14.98	Diploma in Polymer Technology	47	25	22/05/2019	Senior Manager at Suretex Prophylactics (India) Private Limited
6.	Mr. Sachin Prasad	Country Manager	14.87	MBA (IBM)	54	32	15/01/2003	Country Manager at Synthel Paraffins India Limited
7.	Mr. Rajesh Sultania	DGM (Commercial)	14.44	B.Com	51	28	01/04/1993	-
8.	Mr. Maheswar Mahanty	DGM (Engineering)	12.86	BE (Mech.)	43	19	05/07/2019	HBM SA Health Protection PTY Ltd. (South Africa)
9.	Mr. Saurabh Vishwas Karmase	Company Secretary and Compliance Officer	11.55	CS, LLB, MBA (IB), MBA (HR), BBM (IB), DLL& LW	31	5.5	28/01/2016	-
10.	Mrs. Subidita Roy	Executive Secretary to CMD and Marketing Officer	10.07	B.Sc.	46	22	27/11/2013	Executive Coordinator at Nilkamal Limited



## MANAGEMENT DISCUSSION AND ANALYSIS

### Economy Outlook

The global economy contracted by around 3.3% in 2020 due to Covid-19 pandemic which led to unprecedented lockdown bringing the economy to a standstill. However, trade and investment revived in the second half of the year as restrictive measures were eased which averted a full-blown recession. Central banks in many emerging market and developing economies employed asset purchase programs, announced various stimulus program, and reduced policy rates in response to pandemic-induced financial market stress. Widespread vaccine deployment, concerted health policies and government financial support are expected to lift global GDP by 6.0% in 2021, according to IMF estimates.

Indian economy contracted by 7.3% in FY21 due to the adverse impact of Covid-19 induced lockdown. After contracting in the first half of the fiscal year, the economy managed to turn around in the second half led by resumption in economic activity and increased spending by the government. The recently announced national budget has rightly focused on increased expenditure in sectors like infrastructure to support economic growth. To encourage investment in the manufacturing sector, the government introduced the Production Linked Incentive (PLI) scheme across many sectors to make the domestic manufacturing sector globally competitive, encourage exports and to bring down the import bills. According to Moody's estimates, India is expected to clock a growth rate of 9.3% in FY22 despite the negative impact of second wave of pandemic on the back of favourable government policies and improving domestic and external demand.

### Industry Demand Scenario

Sexually transmitted diseases such as syphilis, gonorrhoea, chlamydia, hepatitis B, genital herpes, and HIV/AIDS have been increasing at a rapid pace. As per UNAIDS Global HIV & AIDS statistics – 2020 fact sheet, about 38.0 million world population had HIV infection in 2019. Condoms have historically demonstrated a high success rate in preventing sexually transmitted diseases and pregnancy and with increasing prevalence of sexually transmitted diseases, the demand for condoms will also grow. Availability of variety of condoms coupled with increased awareness on the back of sex education campaigns by various international and government healthcare bodies is likely to drive the market growth. Moreover, lower cost in comparison with other methods of contraception makes condoms the natural choice among the consumers. Improving living standards, increase in per capita disposable incomes, the high usage of innovative condoms, and the growing emphasis on the concept of safe sex are some of the major factors driving the condom market.

Public health organizations, NGOs and governments of various countries are conducting sex education programs to increase awareness about sexually transmitted diseases (STDs) and are collaborating with condom manufacturers to promote the use of condoms and prevent sexually transmitted diseases by distributing condoms free of cost or at subsidized rates. Government initiatives to reduce the spread of STDs in low-income countries in the Middle East and Africa is further likely to fuel the demand for condoms. According to report by Mordor Intelligence, the global condom market was valued at USD 8 billion in 2020 and is projected to register a CAGR of 7.83% during 2021-26. Increase in demand for Condoms is expected due to an increase in international donor funding, higher consumption in lower- and middle-income countries, and more funding from National Governments for the prevention of the spread of HIV and unintended pregnancies like Brazil, South Africa, and India.

The demand for female condoms is increasing, especially in developed countries, such as the US, where it is distributed through beauty salons, convenience stores, and clinics to check the rising HIV rates. Female condoms have emerged as an effective alternative to contraceptive pills for women who prefer not to use hormonal methods to prevent pregnancy owing to rising awareness about the side effects of pill-based contraceptives that can adversely affect women's health. Increasing literacy rate among women along with rising teen pregnancy has led to growing demand for female condoms. The increasing use of female condoms will also help in minimizing the number of STIs.

Key factors contributing the growth of Condom market are:

1. Rise in public health campaigns and marketing programs



2. Increasing awareness about sexually transmitted diseases (STDs) and HIV among adolescents
3. Birth control and family planning
4. Innovation in condom design and growing popularity of female condoms

### **Company Review**

We started our journey in 1993 and currently we are a leading condom manufacturing company in India engaged in designing, manufacturing and marketing of Male Condoms, Female Condoms and Lubricant Jelly. In 2012, Cupid was the first company in India and only second in the world to have pre-qualified for Female Condoms accredited by WHO (World Health Organization)/UNFPA (United Nations Population Fund) for worldwide public distribution. From a manufacturing standpoint, our facility at Nashik is mapped to global standards with best quality practices and accredited with various quality standards. As a testimony to our systems, we are WHO-GMP approved along with certifications from ISO standards such as 9001:2008, 13485:2003, 14001:2004, CE-0434, pre-qualification from UNFPA, SABS Mark, USFDA\_510k for Male Condoms, Indian FDA amongst others. We have a strong focus on research and development initiatives which have enabled us to develop and improve our product portfolio. We have a research and development centre in addition to our production facility at Nashik enabling us to innovate and enhance our product portfolio and remain ahead of the curve in meeting the emerging requirements of our customers.

The Company operates predominantly in the B2B space but continues to focus equally in the B2C category. In the B2B segment, we primarily cater to governments and institutional buyers worldwide for prevention of AIDS, STIs, STDs and prevention of unintended pregnancies. We are also engaged in contract manufacturing business, whereby we undertake contracts and manufacture products under other customer's brands. During the fiscal year, the board considered and approved the Service Provider and License Agreement between Cupid Limited and Invex Health Private Limited for manufacturing of Medical Devices including various testing kits / diagnosing kits by Cupid Limited.

Despite initial setback due to the Covid-19 pandemic, the Company managed to deliver stable performance in Fiscal Year 2021. The revenue of the Company stood at Rs 1,437.3 mn in FY21. EBITDA stood at Rs 411.9 mn translating into EBITDA margin of 28.7%. Cupid closed this financial year with a net profit of Rs 289.8 mn. Out of the total operating revenues, the Male Condoms contributed about 52% in value terms as against 37% for the Female Condoms, Others (Water Based Lubricant Jelly, Hand sanitizer, Hair Removal, Sale of raw material) contributed 5% and IVD sale was around 6%. Cupid's order book stands at ₹113 crores as on 1st April 2021.

During the year, Cupid entered into the manufacturing of diagnostic kits to capitalize on the immense demand opportunity in that space. The Company started dispatching goods pertaining to the new tender for Female Condom order received from Brazil. Also, Cupid witnessed the highest ever sales of Male Condoms during FY21 to UNFPA.

### **Outlook**

Demand for Condoms continues to remain robust as it is the natural choice for the prevention of STIs including HIV and for prevention of unintended pregnancies due to its low cost as compared to other alternatives. The future performance would also depend on the allocation from the new tender from South Africa and other tenders during FY22. We expect higher allocation from the new 3 years tender from South Africa with a total requirement of 1 billion Male Condoms and 40 million Female Condoms each year. Moreover, additional revenue from the diagnostics business would also aid in improved performance. The diagnostic business is expected to contribute significant revenue in coming periods, once IVD project at Nashik is completed. Some of the key initiatives planned for coming year are:

- A. Expansion into new category of products related to female health and wellness.
- B. Strengthen digital marketing medium to increase the share of sales through online channel.
- C. Strengthen our distribution network and foray into newer geographies both for the institutional as well the retail business.
- D. Expanding the production and distribution of diagnostics business.



## REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended on 31st March 2021:

### COMPANY'S PHILOSOPHY: -

Cupid Limited governance philosophy is based on trusteeship and transparency. As a corporate player, our business follows a tradition of ethical behavior and disclosures aimed at constructing trust of our stakeholders. The Company's Code of Business Conduct and Ethics and Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders reflects our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

1. Proper conduct of business by the Board, Senior Management and Employees;
2. Timely disclosure of necessary information to the stakeholders;
3. Effective composition of the Board, with each member bringing in expertise in their respective domains;
4. Systems are in place for effective internal control; and
5. Access of information to the members of the Board to enable them to perform their duties in efficient manner.

### 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 2020-21 and the number of directorships and Committee Chairmanships / Memberships in public Ltd (Listed) 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 Stakeholder Relationship Committees: -

Name of Director	Category	Attendance at board Meeting in year 2020 - 2021		Attendance at Last AGM on 22 December, 2020	Directorships in other Public Ltd (Listed) Companies		Committees Position held in other Public Ltd (Listed) Companies	
		Held	Attended		Chairman	Member	Chairman	Member
Mr. Omprakash Garg	Chairman & Managing Director	4	4	PRESENT	NIL	NIL	NIL	NIL
Mr. Pradeep Kumar Jain	Independent Director	4	4	PRESENT	NIL	NIL	NIL	NIL
Mr. Jandhyala L. Sharma	Independent Director	4	4	ABSENT	NIL	NIL	NIL	NIL
Mrs. Veena Garg	Non-Executive Director	4	4	PRESENT	NIL	NIL	NIL	NIL
Mr. Suresh Chand Garg	Non-Executive Director	2	2	PRESENT	NIL	NIL	NIL	NIL
Ms. Nalini Mishra	Independent Director	2	2	PRESENT	NIL	NIL	NIL	NIL

**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 2020-21, the Board met 4 times. The meetings were held on 30th June, 2020; 26th August, 2020; 5th November, 2020 and 10th February, 2021. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

**INFORMATION PLACED BEFORE THE BOARD:**

The information as set out in Regulation 17 read with Part A of Schedule II of the Listing Obligations to the Board and the Company provides the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

**POST MEETING MECHANISM:**

The important decisions taken at the Board/Board Committee Meetings are communicated to the concerned department/division.

**BOARD SUPPORT:**

The Company Secretary attends the Board Meetings and advises the Board on Compliances with applicable laws and governance.

**ROLES, RESPONSIBILITIES AND DUTIES OF THE BOARD:**

The duties of Board of Directors have been enumerated in Listing Obligations, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

**DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:**

Mrs. Veena Garg, Wife of Mr. Omprakash Garg, Chairman and Managing Director of the company is acting as a non-executive director of the company with effect from 28th October, 2014.

Mr. Suresh Chand Garg, Brother of Mr. Omprakash Garg, Chairman and Managing Director of the company is acting as a non-executive director of the company with effect from 26th August, 2020.

**NUMBER OF SHARES AND CONVERTIBLE INSTRUMENT HELD BY NON-EXECUTIVE DIRECTORS:**

Mrs. Veena Garg, non-executive director of the company held 59,53,800 equity shares of the company.

**FAMILIARISATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS:**

The details of Familiarisation Programme imparted to Independent Directors is available on the following web link:-

[https://www.cupidlimited.com/wp-content/uploads/2020/08/07\\_002\\_FAMILIARIZATION-PROGRAM.pdf](https://www.cupidlimited.com/wp-content/uploads/2020/08/07_002_FAMILIARIZATION-PROGRAM.pdf)

**CORE SKILLS / EXPERTISE / COMPETENCIES AVAILABLE WITH THE BOARD:**

In terms of Listing Regulations, the following skills, expertise and competencies have been identified by the Board of Directors as required in the context of its business and sector for it to function effectively:

- Industry knowledge
- Business Management
- Corporate Governance
- Financial Management
- Leadership and Entrepreneurship
- Strategic Planning

Below table depicts the Board members skills / expertise/ competencies, which are currently available with the Board:

Name of the Director	Industry knowledge	Business Management	Corporate Governance	Financial Management	Leadership and Entrepreneurship	Strategic Planning
Mr. Omprakash Garg	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Pradeep Kumar Jain	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Jandhyala L. Sharma	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Veena Garg	-	Yes	Yes	-	Yes	-
Mr. Suresh Chand Garg	Yes	Yes	Yes	-	Yes	-
Ms. Nalini Mishra	Yes	Yes	Yes	Yes	Yes	Yes

The number of Directorships, Committee Membership(s)/Chairmanship(s) of all Directors is within respective limits prescribed under the Act and the Listing Regulations.

**BRIEF PROFILE OF DIRECTORS SEEKING REAPPOINTMENT: -****1. Brief Profile Of Mrs. Veena Garg is as below:**

Mrs. Veena Garg aged of 69 years, is spouse of Mr. Omprakash Garg and closely associated with the business of Mr. Omprakash Garg. She supports him in decision making and add support and confidence in the business doing to Mr. Omprakash Garg.

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

Age: 69 years

Qualifications: B.A.

Experience: 26 years' experience in management and administration.

Date of first appointment on Board: 28th October 2014.

Shareholding in the Company: 59,53,800 equity shares of Company.

Relationship with other Directors: Spouse of Mr. Omprakash Garg and sister-in-law of Mr. Suresh Chand Garg.

Other Directorships: Tycoon Finlease Private Limited



Other Memberships of Committees of Other Boards: NIL

Other Chairmanships of Other Boards: NIL

No. of Board meetings attended during the year: 4 Board Meetings

Last Drawn remuneration from Company: 1. Sitting Fees: INR 3.90 Lacs; 2. Profit Related Commission: INR 4.67 Lacs.

#### **INDEPENDENT DIRECTORS:**

The Independent Directors fulfil the conditions of Independence specified in section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet with requirement of Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A formal letter of appointment to independent Directors as provided in Companies Act, 2013 has been issued and disclosed on the website of the Company.

#### **MEETINGS OF INDEPENDENT DIRECTORS:**

Meeting of Independent Directors of the Company held at least once in a year to deal with matter listed out in Schedule IV and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 was held on 20th March, 2021.

#### **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 at [https://www.cupidlimited.com/wp-content/uploads/2020/07/01\\_001\\_CG\\_Code\\_of\\_Conduct.pdf](https://www.cupidlimited.com/wp-content/uploads/2020/07/01_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, 2015.

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 in relation to the Company. Mr. Saurabh V. Karmase is the Compliance officer for monitoring adherence to the said Regulations.

**AUDIT COMMITTEE:**

Composition of the Audit Committee is as follows: -

Mr. Pradeep Kumar Jain – Chairman

Mr. Jandhyala L. Sharma – Member

Mr. Omprakash Garg – Member

The Audit Committee met 4 times during the financial year 2020 – 21. The Company is in full compliance with the provisions of the regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on gaps between any two Audit Committee meetings. The Committee met on 30th June, 2020; 26th August, 2020; 5th November, 2020 and 10th February, 2021. The necessary quorum was present for all meetings.

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

Name of Committee Member	No. of Meetings for year 2020 – 2021	
	Held	Attended
Mr. Pradeep Jain	4	4
Mr. Jandhyala L. Sharma	4	4
Mr. Omprakash Garg	4	4

Mr. Pradeep Jain Chairman of the Audit Committee was present at the 27th Annual General Meeting of the Company held on 22nd December, 2020 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In addition to other business, reviews the quarterly financial results, annual financial statements, 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 Board has framed the Audit Committee charter for the purpose of effective compliance of provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Audit Committee inter-alia performs the following functions:

1. Review with the Company's Chief Financial Officer ("CFO"), the preparation, execution and results of the Company's annual internal audit work program;
2. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
3. Review with the management, performance of statutory and internal auditors and review of adequacy of the internal control systems;
4. Discussion with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
5. Discussion with internal auditors on any significant findings and follow up thereon;
6. Recommending to the Board, the appointment, remuneration and terms of appointment of Auditors;



7. Oversee the functioning of the Risk Management Committee and advice the Risk Management Committee with respect to risk assessment including fraud risk and risk guidelines governing the risk management process;
8. Review the management discussion and analysis of financial condition and results of operations;
9. Review statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
10. Review the internal audit reports relating to internal control weaknesses;
11. Scrutiny of inter-corporate loans and investments;
12. Review the functioning of the Whistle blower mechanism;  
and
13. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI, whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

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 31st March, 2021.

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 Company follows best practice in financial reporting. The Company has been reporting on quarterly basis the Un-audited financial result as required by the regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company's quarterly un-audited financial results are made available on the website of the company i.e. [www.cupidlimited.com](http://www.cupidlimited.com) and are also sent to the BSE Limited and National Stock Exchange of India Limited (stock exchanges) where the Company's equity shares are listed.

#### **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:**

Composition of the Nomination and Remuneration Committee is as follows: -

Mr. Pradeep Jain	Chairman
Mr. Jandhyala L. Sharma	Member
Mrs. Veena Garg	Member

The Committee met on 26th August, 2020, the necessary quorum was present for the meeting.

The attendance of the Nomination and Remuneration Committee Members as per below: -

Name of Committee Member	No of Meetings for year 2020 – 2021	
	Held	Attended
Mr. Pradeep Jain	1	1
Mr. Jandhyala L. Sharma	1	1
Mrs. Veena Garg	1	1

**Terms of Reference:**

The Board has framed the Nomination and Remuneration Committee which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation, which are as follows:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level below the Board);
- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/reappointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- delegation of any of its powers to any Member of the Committee or the Compliance Officer.


**Details of Remuneration Paid to Directors for the Year Ended March 31, 2021:**
**a) Non-executive Directors: -**
**(Rs. In Lacs)**

Sr. No.	Name of the Director	Sitting Fees	Profit Related Commission
1.	Mr. Pradeep Kumar Jain	INR 6.15 Lacs	INR 4.67 Lacs
2.	Mr. J.L. Sharma	INR 5.70 Lacs	INR 4.67 Lacs
3.	Mrs. Veena Garg	INR 3.90 Lacs	INR 4.67 Lacs
4.	Mr. Suresh Chand Garg	INR 1.50 Lacs	INR 4.67 Lacs
5.	Ms. Nalini Mishra	INR 1.50 Lacs	INR 4.67 Lacs

**b) Executive Directors: -**
**(Rs. In Lacs)**

Sr. No	Particulars of Remuneration	Name of Director
		Mr. Omprakash Garg Chairman and Managing Director
	Gross salary	
1	(a) Salary as per provisions of section 17(1) of the Income Tax Act, 1961	Rs. 63.72
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	NIL
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	NIL
2	Stock option	NIL
3	Sweat Equity	NIL
4	Commission as % of profit	Rs. 77.78
5	others (specify)	-
	I. Employers contribution to Provident Fund	Rs. 4.32/-
	Total (A)	Rs. 145.82

**PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Independent Directors is carried out by other non-independent directors on the basis of their contribution towards important aspects of the company and active participation on the board. The Directors express their satisfaction with the evaluation process.

Further, the company have constituted Performance Evaluation Policy to evaluate the performance of Independent Directors and the said policy is available on the website of the company at [https://www.cupidlimited.com/wp-content/uploads/2020/07/Performance\\_Evaluation.pdf](https://www.cupidlimited.com/wp-content/uploads/2020/07/Performance_Evaluation.pdf)

**STAKEHOLDER RELATIONSHIP COMMITTEE:**

The composition of Stakeholder Relationship Committee is as follows:

Mr. Pradeep Kumar Jain	Chairman
Mrs. Veena Garg	Member
Mr. Omprakash Garg	Member
Mr. Saurabh V. Karmase	Company Secretary and Compliance Officer

The Stakeholder Relationship Committee met 1 time during the financial year 2020-21. The Committee met on 5th November, 2020. The necessary quorum was present for the meeting.

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

Name of Committee Member	No of Meeting for year 2020 – 2021	
	Held	Attended
Mr. Pradeep Jain	1	1
Mrs. Veena Garg	1	1
Mr. Omprakash Garg	1	1

The total numbers of Members complaints received and resolved for year ended 31st March, 2021 are as per details given below: -

Sr. No.	Category	Received	Resolved	Pending
1.	Non Receipt Of Annual Report	0	0	0
2.	Non Receipt Of Dividend Warrant	0	0	0
3.	General Queries (Others)	0	0	0
	<b>Grand Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Companies Act, 2013.



The composition of CSR Committee is as follows:-

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

**Terms of Reference:**

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor process.
- The Composition of the CSR Committee as at March 31, 2021 and the details of meetings of the Committee are as under:

The Committee met on 10th February, 2021 and the necessary quorum was present for the meeting.

The attendance of the Corporate Social Responsibility Committee Members as per below: -

Name of Committee Member	No of Meeting for year 2020 – 2021	
	Held	Attended
Mr. Pradeep Jain	1	1
Mr. Omprakash Garg	1	1
Mr. Jandhyala L. Sharma	1	1

The Corporate Social Responsibility Policy is available on the website of the company at [https://www.cupidlimited.com/wp-content/uploads/2020/07/05\\_001\\_CG\\_01CSR-Policy.pdf](https://www.cupidlimited.com/wp-content/uploads/2020/07/05_001_CG_01CSR-Policy.pdf)

**GENERAL BODY MEETINGS:**

Information of the last three Annual General Meetings held: -

AGM	Financial Year	Date and Time	Venue	Details of Special Resolution Passed
25th	2017-18	28th September, 2018 at 12.00 noon	Panchavati Motels, Pune – Nashik Highway, Sinnar, Nashik-422103	1. Revision in remuneration of Mr. Omprakash Garg, Chairman and Managing Director of company.
26th	2018-19	28th September, 2019 at 12.00 noon	Panchavati Motels, Pune – Nashik Highway, Sinnar, Nashik-422103	1. Reappointment of Mr. Jandhyala Lakshminarayana Sharma as an Independent Director of the company.
27th	2019-20	22nd December, 2020 at 12.00 noon	through two-way Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')	1. Reappointment of Mr. Omprakash Garg, as Chairman and Managing Director of the Company. 2. Payment of Commission to Non-Executive Directors based on Net Profits of the Company.

**POSTAL BALLOT:**

During the year under review, no resolution was passed through postal ballot.

**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 at least one of the English daily newspaper publishing in all India and similarly in vernacular Marathi daily newspaper publishing in Nashik region and the said results are also published on the website of the company at [www.cupidlimited.com](http://www.cupidlimited.com).

**DIVIDEND:**

The details of dividend declared during the financial years 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21 by the company are as follows: -

Sr. No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Amount declared per share
1.	Interim - 2014-15	17th January, 2015	Re. 1/-
2.	Final - 2014-15	28th September, 2015	Re. 0.50/-
3.	1st Interim - 2015-16	31st October, 2015	Re. 1/-
4.	2nd Interim - 2015-16	10th March, 2016	Rs. 2/-



5.	1st Interim - 2016-17	1st August, 2016	Re. 1/-
6.	2nd Interim - 2016-17	27th October, 2016	Re. 1/-
7.	Final - 2016-17	7th September, 2017	Rs. 2/-
8.	1st Interim – 2017-18	8th November, 2017	Rs. 2/-
9.	Final and Special – 2017-18	28th September, 2018	Rs. 2/- and Re. 0.50/-
10.	1st Interim – 2018-19	6th November, 2018	Re. 1/-
11.	Final – 2018-19	28th September, 2019	Rs. 3/-
12.	1st Interim – 2019-20	11th November, 2019	Re. 1/-
13.	2nd Interim – 2019-20	4th March, 2020	Rs. 3.50/-
14.	1st Interim – 2020-21	5th November, 2020	Re. 1/-
15.	Final - 2020-21	3rd June, 2021 (Recommended)	Rs. 3.50/-

#### UNCLAIMED DIVIDEND :

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125. The details of unclaimed/unpaid dividend are available on the website of the Company viz. <https://www.cupidlimited.com/unpaid-unclaimed-dividends/>

#### MANDATORY TRANSFER OF SHARES TO DEMAT ACCOUNT OF INVESTORS EDUCATION AND PROTECTION FUND AUTHORITY (IEPFA) IN CASE OF UNPAID / UNCLAIMED DIVIDEND ON SHARES FOR A CONSECUTIVE PERIOD OF SEVEN YEARS

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF Rules.

Details of Unclaimed Dividend and due dates for transfer are as follows as on March 31, 2021:

Sr. No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount	Due Date For Transfer to IEPF Account
1.	Interim – 2014-15	17th January, 2015	Rs. 5,25,355/-	21st February, 2022
2.	Final – 2014-15	28th September, 2015	Rs. 2,61,242/-	2nd November, 2022



3.	1st Interim – 2015-16	31st October, 2015	Rs. 5,05,910 /-	5th December, 2022
4.	2nd Interim – 2015-16	10th March, 2016	Rs. 10,11,788 /-	15th April, 2023
5.	1st Interim – 2016-17	1st August, 2016	Rs. 4,96,482 /-	6th September, 2023
6.	2nd Interim – 2016-17	27th October, 2016	Rs. 5,05,837 /-	2nd December, 2023
7.	Final – 2016-17	7th September, 2017	Rs. 10,74,768 /-	12th October, 2024
8.	1st Interim – 2017-18	8th November, 2017	Rs. 11,55,872 /-	13th December, 2024
9.	Final and Special – 2017-18	28th September, 2018	Rs. 12,72,622.50 /-	2nd November, 2025
10.	1st Interim – 2018-19	6th November, 2018	Rs. 6,24,888 /-	11th December, 2025
11.	Final – 2018-19	28th September, 2019	Rs. 17,65,908 /-	2nd November, 2026
12.	1st Interim – 2019-20	11th November, 2019	Rs. 6,21,157 /-	16th December, 2026
13.	2nd Interim – 2019-20	4th March, 2020	Rs. 20,90,329.50 /-	9th April, 2027
14.	1st Interim – 2020-21	5th November, 2020	Rs. 5,41,251 /-	11th December, 2027

## **NOMINATION**

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

## **ELECTRONIC CLEARING SERVICE**

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the Bank account details furnished by the Depositories for depositing dividends which ensures safety for the investors. The Company complies with the SEBI requirement.

## **SERVICE OF DOCUMENTS THROUGH ELECTRONIC MODE**

As a part of Green Initiative, the members who wish to receive the notices/documents through e-mail, may kindly intimate their e-mail addresses to the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited; to its dedicated e-mail id i.e., "investor@bigshareonline.com"

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

Day and Date	Tuesday, 28th September, 2021
Time	12.00 Noon
Venue / Mode	Through two-way Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility
Financial Year	April 01, 2020 to March 31, 2021.

**2. Financial Calendar for the financial year 2021 – 2022 (tentative)**

Financial reporting for the quarter ending June 2021	Within 45 days from Close of quarter
Financial reporting for the quarter ending September 2021	Within 45 days from Close of quarter
Financial reporting for the quarter ending December 2021	Within 45 days from Close of quarter
Financial reporting for the quarter ending March 2022	Within 60 days from Close of quarter

**3. Date of Book Closure**

21st September, 2021 to 28th September, 2021

**4. Listing on Stock Exchanges**

A. BSE Limited  
B. National Stock Exchange of India Limited

**5. Stock Code of BSE Limited  
Symbol on NSE Limited**

530843  
CUPID

**6. Registered Office, Plant  
and Correspondence Address**

A - 68, M. I. D. C. (Malegaon), Sinnar,  
Nasik, Maharashtra- 422113.  
Tel: - + 91- 2551 – 230280 / 230772  
Email: - cs@cupidlimited.com  
Website : - www.cupidlimited.com  
Compliance Officer: Mr. Saurabh V. Karmase

**7. Registrar and Share Transfer  
Agent**

M/s Bigshare Services Pvt. Ltd.  
Bharat Tin Works Building, 1st Floor,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (E), Mumbai – 400 059.

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

INE509F01011

**9. Share Transfer System of the Company: -**

The Board of Directors had delegated the power of share transfer to Mr. Omprakash Garg, Chairman & Managing Director and / or Mr. Saurabh V. Karmase, Company Secretary and Compliance Officer of the Company. However the Committee periodically reviews the share transferred.

**10. Dematerialization of shares and liquidity**

95.77% of the equity shares of the Company have been dematerialized (NSDL – 28.18% and CDSL 67.59%) as on March 31, 2021. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either of the Depositories.

**11. Outstanding GDRs / ADRs / Warrants or any convertible instruments: -**

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

**12. Listing Fees: -**

The Company has paid the annual listing fees for the year 2021 – 2022 to BSE Limited (BSE) and NSE Limited (NSE).

**13. Shares held in Physical / Electronic form as on 31st March, 2021**

Particulars	No. of Shares	% of shares
Shares in Electronic form	1,27,73,215	95.77
Shares in Physical form	5,64,785	4.23
<b>TOTAL</b>	<b>1,33,38,000</b>	<b>100.00</b>

**14. Share Price Data**

MONTH	BSE			NSE		
	HIGH (Rs.)	LOW (Rs.)	VOLUME (Nos.)	HIGH (Rs.)	LOW (Rs.)	VOLUME (Nos.)
April, 2020	188.50	135.35	92,917	187.0	135.0	8,89,860
May, 2020	172.15	151.05	38,049	180.0	153.3	5,95,012
June, 2020	214.65	165.00	2,56,160	214.6	165.0	23,04,712
July, 2020	244.00	202.40	3,60,221	243.7	203.1	32,94,083
August, 2020	295.00	207.45	7,43,218	296.8	209.2	58,32,974
September, 2020	235.75	201.05	2,50,305	235.5	201.3	16,17,395
October, 2020	222.85	201.00	1,09,284	224.0	202.0	7,25,833
November, 2020	243.75	190.30	3,89,879	244.0	190.3	37,08,319
December, 2020	264.00	212.00	5,19,212	264.0	213.5	43,32,584
January, 2021	248.00	209.00	2,07,490	247.7	214.0	10,56,570
February, 2021	239.95	202.00	1,62,000	234.0	201.0	9,54,378
March, 2021	242.75	206.60	2,83,040	242.7	207.3	20,17,851

Particulars	BSE	NSE
Closing share price as on March 31, 2021 (In Rs.)	210.30	209.90
Market Capitalisation as on March 31, 2021 (Rs. In Crore)	280.50	279.96

**15. Distribution of shareholding as on 31st March, 2021**

NO. OF EQUITY SHARES	NUMBER OF SHAREHOLDERS	PERCENTAGE OF SHAREHOLDERS	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
Up to 1-500	26,129	91.7032	22,01,751	16.5074
501-1000	1,267	4.4467	9,33,178	6.9964
1001-2000	600	2.1058	8,47,783	6.3561
2001-3000	210	0.7370	5,24,847	3.9350
3001-4000	80	0.2808	2,83,088	2.1224
4001-5000	57	0.2000	2,62,878	1.9709
5001-10000	94	0.3299	6,54,169	4.9046
10001 and above	56	0.1965	76,30,306	57.2073
<b>TOTAL</b>	<b>28,493</b>	<b>100.000</b>	<b>1,33,38,000</b>	<b>100.0000</b>



#### 16. Categories of Shareholders as on 31st March, 2021

Category	No. Of Holders	No. of shares	% of shares
<b>A. Promoters Holding</b>			
a. Individuals	4	60,10,536	45.06
<b>B. Public Shareholding</b>			
<b>1. Institutions</b>			
a. Mutual Funds	2	4,200	0.03
<b>2. Non-institutions</b>			
a. Bodies Corporate	126	4,08,781	3.06
b. Individuals Shareholders			
I. Individual Shareholders holding nominal share capital up to Rs. 2 lac	26,656	52,30,869	39.22
II. Individual Shareholders holding nominal share capital in excess of Rs. 2 lac	12	5,11,991	3.84
c. NRI	687	4,76,376	3.57
d. Overseas Corporate Bodies	4	3,84,960	2.89
e. Clearing Members	62	70,732	0.53
f. Foreign Portfolio Investor	1	240	0.002
g. Hindu Undivided Family	450	2,39,315	1.79
<b>TOTAL</b>	<b>28,004</b>	<b>1,33,38,000</b>	<b>100.00</b>

#### 17. CONSOLIDATION OF FOLIOS AND AVOIDANCE OF MULTIPLE MAILING

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrars and Transfer Agents indicating the folio numbers to be consolidated.

#### 18. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

#### 19. COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

**AFFIRMATION AND DISCLOSURES:****1. RELATED PARTY TRANSACTIONS:**

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. None of the transactions with any of the related parties were in conflict with the interest of the Company.

The policy on dealing with related party transaction is available on the web link [https://www.cupidlimited.com/wp-content/uploads/2020/07/05\\_001\\_CG\\_Related\\_Party.pdf](https://www.cupidlimited.com/wp-content/uploads/2020/07/05_001_CG_Related_Party.pdf)

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

The Company has complied with all the requirement of BSE Limited, NSE Limited and Securities and Exchange Board of India (SEBI) and other statutory authorities on matter relating to capital markets except below:

Sr. No.	Action taken by	Details of Non-Compliance	Details of action taken e.g. fines, warning letter, debarment, etc.	Remarks
1.	National Stock Exchange Of India Limited	Non-Compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015	Fine of INR 8,67,300 imposed by National Stock Exchange Of India Limited.	The Company could not appoint one Independent woman Director on the board of the company and increase the number of directors on the board up to 6 with effect from 1st April, 2020. However, the company has complied with the said requirements with effect from 26th August, 2020. Further, on filing of waiver application with both the exchanges, BSE has waived of the penalty imposed whether company has filed an appeal in SAT against the penalty levied by NSE.
2.	Bombay Stock Exchange Limited		Fine of INR 8,67,300 imposed by Bombay Stock Exchange Limited.	

**3. WHISTLE BLOWER AND 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 said whistleblower has been hosted on the website at: -

[https://www.cupidlimited.com/wp-content/uploads/2020/07/05\\_002\\_CG\\_Whistlerblower.pdf](https://www.cupidlimited.com/wp-content/uploads/2020/07/05_002_CG_Whistlerblower.pdf)

**4. RISK MANAGEMENT COMMITTEE:**

As per Regulation 21(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 formation of Risk Management Committee is not applicable to the company.



Further, the company have formulated the Risk Management Policy for assessment and managing of various risks and the said policy is available on the website of the company at [https://www.cupidlimited.com/wp-content/uploads/2020/07/Risk\\_Management\\_Policy.pdf](https://www.cupidlimited.com/wp-content/uploads/2020/07/Risk_Management_Policy.pdf)

## **5. POLICY ON ORDERLY SUCCESSION FOR APPOINTMENTS TO THE BOARD AND SENIOR MANAGEMENT**

The company have formulated the policy on Orderly Succession for Appointments to the Board and Senior Management to ensure the orderly identification and selection of new Directors or Senior Management and the said policy is available on the website of the company at [www.cupidlimited.com](http://www.cupidlimited.com)

## **6. POLICY ON PRESERVATION OF DOCUMENTS**

The company have formulated the policy on Preservation of Documents to provide the comprehensive framework for preservation of documents for a specified period of time and the said policy is available on the website of the company at [www.cupidlimited.com](http://www.cupidlimited.com)

## **7. MATERIALITY POLICY**

The company have formulated the Materiality Policy for determination of materiality of events or information to serve as a guiding charter to the management to ensure that timely and adequate disclosure of events or information are made to the investor community by the Company under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the said policy is available on the website of the company at [www.cupidlimited.com](http://www.cupidlimited.com).

## **8. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS:**

The company have complied with all the provisions of regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time.

## **9. DISCLOSURE 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.

## **10. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A): Not Applicable.**

## **11. A CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE THAT NONE OF THE DIRECTORS ON THE BOARD OF THE COMPANY HAVE BEEN DEBARRED OR DISQUALIFIED FROM BEING APPOINTED OR CONTINUING AS DIRECTORS OF COMPANIES BY THE BOARD/ MINISTRY OF CORPORATE AFFAIRS OR ANY SUCH STATUTORY AUTHORITY:**

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

## **12. WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR: Not Applicable**

## **13. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART:**

Details relating to fees paid to the Statutory Auditors are given in Notes to the Financial Statements.

## **14. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company took 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.

**15. NON – MANDATORY REQUIREMENTS: -****a. The Board: -**

The company has an Executive Chairman, the requirement regarding Non-Executive Chairman is not applicable to the company.

**b. Shareholders Rights: -**

As the quarterly financial performance are published in the newspapers and are also posted on the company's website, the same are not being sent to each household of shareholders.

**c. Modified opinion(s) in audit report: -**

The company confirms that its financial statements are with unmodified audit opinion.

**d. Separate posts of Chairman and Chief Executive Officer: -**

The company has appointed Mr. Omprakash Garg as Chairman and Managing Director of the Company. Further, the company has not appointed Chief Executive Officer during the period under review.

**e. Reporting of Internal Auditors: -**

The Internal Auditors reports directly to the Audit Committee.

## DECLARATIONS

Compliance with the Code of Business Conduct and Ethics:

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Cupid Limited Code of Business Conduct and Ethics for the year ended March 31, 2021.

**For Cupid Limited**

Place: Ohio, USA

Date: August 12, 2021

**Omprakash Garg**

**Chairman and Managing Director**



### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Cupid Limited having CIN L25193MH1993PLC070846 and having registered office at A-68, M.I.D.C. (Malegaon), Sinnar, Nashik - 422113 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Jandhyala Lakshminarayana Sharma	00004627	28/10/2014
2	Mr. Omprakash Garg	00140756	16/08/1994
3	Mr. Pradeep Kumar Jain	01852819	28/02/2009
4	Mrs. Veena Garg	03456648	28/10/2014
5	Mr. Suresh Chand Garg	01437499	26/08/2020
6	Ms. Nalini Madhusudan Mishra	07110900	26/08/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.

**SHAILESH KACHALIA**

Practicing Company Secretary

Proprietor

Membership No.: F1391 / CP No.: 3888

UDIN: F001391C000415101

Peer Review Cert. No.: 628/2019

Place: Mumbai

Date: June 3, 2021

**CEO / CFO CERTIFICATION**

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Cupid Limited ("the Company") to the best of our knowledge and belief certify that :

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief, we state that :
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
  - i. significant changes, if any, in internal control over financial reporting during the year :
  - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Cupid Limited**

**Omprakash Garg**  
**Chairman and Managing Director**

Place : Ohio, USA

Date : 3rd June, 2021

**For Cupid Limited**

**Narendra M. Joshi**  
**Chief Financial Officer**

Place : Nashik

Date : 3rd June, 2021

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To,

The Members of Cupid Limited,

We have examined the compliance of conditions of Corporate Governance by **CUPID LIMITED** ("The Company"), for the year ended **31st March, 2021**, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except below:

*The Company could not appoint one Independent Woman Director on the board of the company and increase the number of directors on the board up to 6 with effect from 1st April, 2020. However, the company has complied with the said requirements with effect from 26th August, 2020.*

We 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 Chaturvedi Sohan & Company**  
**Chartered Accountants**

**Vivekanand Chaturvedi**  
**Partner**  
**Membership No.: 106403**  
**FRN : 118424W**  
**UDIN: 21106403AAAADQ8453**

**Place : Mumbai**  
**Date : 12th August, 2021**



## INDEPENDENT AUDITOR'S REPORT

To  
**The Members of Cupid Limited**  
**Report on the Audit of the Financial Statements**

### Opinion

We have audited the accompanying financial statements of Cupid Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principal generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Key Audit Matter

##### Allowances of Credit loss

The Company determines the allowances for credit losses based on historical loss experience adjusted to reflect current and estimated future economics condition. The Company considered current and anticipated future economics condition relating to industries the Company deal with and the countries where it operates. In calculating expected credit loss, the company has also considered credit report and other related credit information for its customers to estimates the probabilities of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID – 19.

We identified allowances for credit loss as a key audit matter because the company exercise judgment in calculating expected credit loss.

**Auditor Response****Principal Audit Procedures:**

Our Audit procedures related to the allowances for credit losses for trade receivables included the following, among others.

We tested the effectiveness of control over (1) development of the methodology for allowances for credit losses, including consideration of the current and estimated future economics condition (2) completeness and accuracy of information used in the estimation of probability of default and (3) computation of allowances for credit losses.

For a sample of customer

We have tested the input data such as credit report and other credit related information used in estimating the probability of default by comparing them to external and internal source of information.

We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management discussion and Analysis, Boards reports including annexure to board report, Business responsibility report, Corporate Governance report and shareholder information but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the IND AS and other accounting principles generally accepted in India, including the Indian Accounting Standard ( INDAS ) specified under section 133 of the Act . This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and board of directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

"The severe acute respiratory syndrome coronavirus (SARS-CoV-2)", generally known as COVID-19, which was declared as a pandemic by the WHO on March 11, 2020, continues to spread across India and there is an unprecedented level of disruption on socioeconomic front across the country. Globally, countries and businesses are under lockdown. Considering the severe health hazard associated with COVID-19 pandemic various State Governments and local authorities have declared lockdown and various travelling restrictions. Due to local lockdown and various travelling restrictions our team was unable to visit client premises and plant's locations regularly. Most of the work done on the basis of mail communication, Scan copy of the documents and workings shared by company. For Details impact please refer note no. 38 of the financial statement.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A) As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statement - Refer note no 31 to the financial statement.



- ii) The Company did not have any long term contract including derivatives contract for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- C) With respect to the matter to be included in the Auditors' Report under section 197(16): In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Chaturvedi Sohan & Co.**  
**Chartered Accountants**  
**Firm Registration No: 118424W**

**Sd**  
**Vivekanand Chaturvedi**  
**Partner**  
**Membership No.106403**  
**UDIN: 21106403AAAACP8116**

**Date: 03rd June, 2021**  
**Place: Mumbai**



**“Annexure A” to the Independent Auditor’s Report of even date on the Financial Statement of Cupid Limited Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31st, 2021:**

- i) In respect of the Company Fixed Assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of all fixed assets.
  - b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - c) The title deeds of immovable properties (which are included under the Note 2 - ‘Property, plant and equipment’) are held in the name of the Company.
- ii) The inventory, except for goods in transit, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been adequately dealt with in books of account.
- iii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
  - iv) In our opinion and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has complied with the provision of the section 186 of the Act in respect of Investment made or loan or guarantee or security provided to the parties covered under section 186 of the Act.
- v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) In pursuant to the rules made by the Central Government of India the company is requested to maintain cost records as specified under section 148(1) of the act in respect of its products. We have broadly reviewed the same 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 determine whether they are accurate or complete.
- vii)
  - a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.
  - b) According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.



- c) According to the information and explanation given to us, the dues in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or government.
- ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Chaturvedi Sohan & Co.**  
**Chartered Accountants**  
**Firm Registration No: 118424W**

**Sd**  
**Vivekanand Chaturvedi**  
**Partner**  
**Membership No.106403**  
**UDIN: 21106403AAAACP8116**

**Date: 03rd June, 2021**  
**Place: Mumbai**



**“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of CUPID LIMITED**  
**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021 we have audited the internal financial controls over financial reporting of CUPID LIMITED. (“the Company”) which is a Company incorporated in India, as of that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that;

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the



company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Chaturvedi Sohan & Co.**  
**Chartered Accountants**  
**Firm Registration No: 118424W**

**Sd**  
**Vivekanand Chaturvedi**  
**Partner**  
**Membership No.106403**  
**UDIN: 21106403AAAACP8116**

**Date: 03rd June, 2021**  
**Place: Mumbai**



## Balance Sheet as at 31st March, 2021

(₹ In Lacs)

Particulars	Notes	As At 31-Mar-2021	As At 31-Mar-2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	2	2,906.46	2,600.46
Capital Work In Progress		140.16	315.64
Intangible assets	3	6.82	4.99
Right of Use -Leased Assets		-	25.30
<b>Financial Non - Current Assets</b>			
Non Current Investments		-	-
Other financial assets	4	-	-
Other non-current assets	5	-	-
<b>Total Non - Current Assets</b>		<b>3,053.44</b>	<b>2,946.39</b>
<b>Current assets</b>			
Inventories	6	1,378.48	1,647.96
<b>Financial Current Assets</b>			
Trade receivables	7	2,546.73	4,189.12
Current Investments	8	4,761.72	2,121.86
Cash and cash equivalents	9	99.25	94.70
Bank balances other than cash & cash equivalents	10	1,828.91	3,588.83
Short Term Loan	11	178.71	49.63
Other financial assets	12	81.98	79.72
Other current assets	13	1,308.71	1,761.13
<b>Total Current Assets</b>		<b>12,184.49</b>	<b>13,532.95</b>
<b>Total Assets</b>		<b>15,237.94</b>	<b>16,479.36</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share capital	14	1,333.80	1,333.80
Other Equity	15	11,751.21	9,012.47
<b>Total Equity</b>		<b>13,085.01</b>	<b>10,346.27</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	16	69.86	147.85
<b>Financial Liabilities</b>			
Lease Liability		-	10.29
<b>Total Non Current Liabilities</b>		<b>69.86</b>	<b>158.14</b>
<b>Current liabilities</b>			
<b>Financial Current Liabilities</b>			
Current Borrowings	17	-	3,129.75
<b>Trade payables</b>	18		
i) Total Outstanding dues of Micro, Small and Medium Enterprises		230.27	449.75
ii) Total Outstanding dues of Vendors other than above		775.54	1,733.68
Other financial liabilities	19	575.32	203.12
Lease Liability		-	6.75
Provisions	20	104.27	63.04
Other current liabilities	21	120.52	166.29
Income tax liabilities (Net)		277.15	222.56
<b>Total Current Liabilities</b>		<b>2,083.07</b>	<b>5,974.95</b>
<b>Total Equity and Liabilities</b>		<b>15,237.94</b>	<b>16,479.36</b>

The accompanying notes form an integral part of the financial statements  
As per our report of even date attached

**Chaturvedi Sohan & Co**  
Chartered Accountants  
Firm Registration No : 118424W

For and on behalf of the Board

**Vivekanand Chaturvedi**  
Partner  
Membership No. 106403

**Omprakash Garg**  
Chairman & Managing Director  
DIN No. : 00140756  
Place : Ohio, USA

**Pradeep Kumar Jain**  
Independent Director  
DIN No. : 01852819  
Place : Mumbai

Place: Mumbai  
Date : 3rd June, 2021

**Narendra M. Joshi**  
Chief Financial Officer  
Place : Nashik

**Saurabh V. Karmase**  
Company Secretary  
Place : Mumbai



## Statement of Profit and Loss for the Year Ended 31st March 2021

(₹ In Lacs)

Particulars	Notes	Year ended 31.03.2021	Year ended 31.03.2020
<b>INCOME</b>			
Revenue from operations	22	14,373.05	16,125.05
Other income	23	516.98	339.49
<b>Total income</b>		<b>14,890.03</b>	<b>16,464.54</b>
<b>EXPENSES</b>			
Cost of materials consumed	24	4,861.63	4,994.80
Changes in inventories of finished goods, work in process and stock in trade	25	184.59	(757.75)
Employee benefits expense	26	1,014.88	874.08
Finance costs	27	39.40	52.85
Depreciation and amortisation expense	28	259.89	249.96
Other expenses	29	4,709.54	5,780.20
<b>Total expenses</b>		<b>11,069.93</b>	<b>11,194.13</b>
<b>Profit / (Loss) before tax</b>		<b>3,820.10</b>	<b>5,270.41</b>
Less : Tax expenses			
- Current tax		946.98	1,316.64
- Short /(excess) provision of earlier years		43.96	(9.37)
- Deferred tax		(69.18)	(20.92)
<b>Total tax expense</b>		<b>921.76</b>	<b>1,286.35</b>
<b>Profit / (loss) for the year</b>		<b>2,898.33</b>	<b>3,984.06</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of employee defined benefit obligation		(35.04)	(33.82)
Income tax relating to items that will not be reclassified to profit or loss		8.82	8.51
		(26.22)	(25.31)
<b>Total comprehensive income for the year</b>		<b>2,872.12</b>	<b>3,958.75</b>
<b>Earnings per equity share</b>	30		
Nominal value of share Rs.10 : Basic		21.73	29.87
: Diluted		21.73	29.87

The accompanying notes form an integral part of the financial statements  
As per our report of even date attached

**Chaturvedi Sohan & Co**  
Chartered Accountants  
Firm Registration No : 118424W

**Vivekanand Chaturvedi**  
Partner  
Membership No. 106403

Place: Mumbai  
Date : 3rd June, 2021

For and on behalf of the Board

**Omprakash Garg**  
Chairman & Managing Director  
DIN No. : 00140756  
Place : Ohio, USA

**Narendra M. Joshi**  
Chief Financial Officer  
Place : Nashik

**Pradeep Kumar Jain**  
Independent Director  
DIN No. : 01852819  
Place : Mumbai

**Saurabh V. Karmase**  
Company Secretary  
Place : Mumbai



## Statement of Changes in Equity for the year ended 31st March 2021

(₹ In Lacs)

EQUITY SHARE CAPITAL :	Balance as at 1st April, 2020	Changes in equity share capital during the year	Balance as at 31st March, 2021
Paid up Capital (Refer Note 14)	1,333.80		1,333.80

(₹ In Lacs)

OTHER EQUITY :					
Particulars	Securities Premium Reserve	Capital reserves	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 1, 2019	80.46	30.00	6,155.84	(6.58)	6,259.72
Profit/ Loss for the year	-	-	3,984.06	-	3,984.06
					-
Final Dividend Paid FY 2018 - 19	-	-	(400.14)	-	(400.14)
Dividend Tax Paid Final Dividend FY 2018-19	-	-	(82.27)	-	(82.27)
					-
1st Interim Dividend Paid FY 2019 -20	-	-	(133.38)	-	(133.38)
Dividend Tax Paid on Interim Dividend FY 2019 -20	-	-	(27.42)	-	(27.42)
					-
2nd Interim Dividend Paid FY 2019 -20	-	-	(466.83)	-	(466.83)
Dividend Tax Paid on Interim Dividend FY 2019 -20	-	-	(95.96)	-	(95.96)
					-
<b>Other Comprehensive Income :</b>					-
Remeasurements of net defined benefit plans	-	-	-	(25.31)	(25.31)
<b>Balance as at 31st March, 2020</b>	<b>80.46</b>	<b>30.00</b>	<b>8,933.90</b>	<b>(31.89)</b>	<b>9,012.47</b>
Profit/ Loss for the year	-	-	2,898.33	-	2,898.33
1st Interim Dividend Paid FY 2020 -21	-	-	(133.38)	-	(133.38)
					-
<b>Other Comprehensive Income :</b>					-
Remeasurements of net defined benefit plans	-	-	-	(26.22)	(26.22)
<b>Balance as at 31st March, 2021</b>	<b>80.46</b>	<b>30.00</b>	<b>11,698.85</b>	<b>(58.11)</b>	<b>11,751.21</b>

"Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act. "

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

**Chaturvedi Sohan & Co**  
Chartered Accountants  
Firm Registration No : 118424W

**Vivekanand Chaturvedi**  
Partner  
Membership No. 106403

Place: Mumbai  
Date : 3rd June, 2021

For and on behalf of the Board

**Omprakash Garg**  
Chairman & Managing Director  
DIN No. : 00140756  
Place : Ohio, USA

**Narendra M. Joshi**  
Chief Financial Officer  
Place : Nashik

**Pradeep Kumar Jain**  
Independent Director  
DIN No. : 01852819  
Place : Mumbai

**Saurabh V. Karmase**  
Company Secretary  
Place : Mumbai

**Statement of Cash Flows for the year ended 31st March 2021** (₹ In Lacs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<b>Operating activities</b>		
Net Profit/(Loss) before Tax	3,820.09	5,270.41
<b>Adjustments to reconcile profit before tax to net cash inflow from operating activities</b>		
Finance Cost	39.40	52.85
Depreciation	259.90	249.96
Unrealised Income on Mutual Fund	(114.99)	(108.12)
Interest Income	(271.02)	(180.91)
OCI (Net of tax)	(26.22)	(25.31)
Reversal of lease assts and liability effect net off	10.54	-
Expected Credit Loss	(117.01)	(40.63)
	<b>3,600.70</b>	<b>5,218.24</b>
<b>Working capital adjustments:-</b>		
(Increase) / Decrease in Inventories	269.48	(856.56)
(Increase) / Decrease in Other Loans and advances	(129.08)	16.40
(Increase) / Decrease in Other current assets	450.16	(873.44)
(Increase) / Decrease in Trade and other Receivables	1,759.41	(1,869.98)
Increase / (Decrease) in Provision	41.23	31.36
Increase / (Decrease) in Trade Payables	(1,177.62)	1,546.37
Increase / (Decrease) in Other Current Liabilities & Provisions	319.68	(46.10)
	<b>5,133.95</b>	<b>3,166.30</b>
Income taxes paid	(945.17)	(1,286.35)
<b>Net cash flow from operating activities</b>	<b>4,188.78</b>	<b>1,879.95</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(387.77)	(1,105.48)
(Increase) / Decrease in fixed deposit	1,759.91	(2,983.38)
(Purchase)/Sale of Investments & Fair Value Changes	(2,524.86)	203.80
Interest Income	271.02	180.91
<b>Net cash flow used in investing activities</b>	<b>(881.70)</b>	<b>(3,704.14)</b>
<b>Financing activities</b>		
Dividend Paid	(133.38)	(1,206.00)
Short Term Borrowings	(3,129.75)	2,900.50
Interest paid	(39.40)	(52.85)
<b>Net cash flow from financing activities</b>	<b>(3,302.53)</b>	<b>1,641.65</b>
<b>Increase in cash and cash equivalents</b>	<b>4.55</b>	<b>(182.54)</b>
Cash and cash equivalents at the beginning of the year ( Note 9 )	94.70	277.24
Cash and cash equivalents at the end of the year ( Note 9 )	99.25	94.70

The accompanying notes are an integral part of these standalone financial statements

**Note :**

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

As per our report of even date attached

**Chaturvedi Sohan & Co**  
Chartered Accountants  
Firm Registration No : 118424W

**Vivekanand Chaturvedi**  
Partner  
Membership No. 106403

Place: Mumbai  
Date : 3rd June, 2021

For and on behalf of the Board

**Omprakash Garg**  
Chairman & Managing Director  
DIN No. : 00140756  
Place : Ohio, USA

**Narendra M. Joshi**  
Chief Financial Officer  
Place : Nashik

**Pradeep Kumar Jain**  
Independent Director  
DIN No. : 01852819  
Place : Mumbai

**Saurabh V. Karmase**  
Company Secretary  
Place : Mumbai



Accompanying notes to the financial statements for the year ended 31st March 2021.

## **SIGNIFICANT ACCOUNTING POLICIES**

### **I. Company Overview**

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

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

### **II. Significant accounting policies:**

#### **i) Basis of Preparation and Presentation:**

The Financial Statements are prepared in accordance with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The Financial Statements have been prepared under historical cost convention basis except for certain financial assets and financial liabilities measured at fair value

Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the directors on 3rd June 2021.

#### **ii) Use of Estimates and Judgments:**

The preparation of the financial statements of the Company in accordance with Indian Accounting Standards (Ind-AS) requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities at the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions; however uncertainty about these assumptions and estimates could result in outcomes that may require adjustment to the carrying amounts of assets or liabilities in future periods. Appropriate revisions in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions in estimates are recognized prospectively in the financial statements in the period in which the estimates are revised in any future periods affected.

#### **iii) Fair Value Measurement:**

The Company measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial asset and liabilities.

The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

#### **iv) Revenue Recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and



the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Revenue in respect of export sales is recognised on shipment of products.

Interest income is recognized using Effective Interest Rate (EIR) method.

Dividend Income on Investments is accounted for when the right to receive the payment is established.

**v) Inventories**

Inventories of Raw Materials, Finished Goods, Semi-Finished Goods, Accessories & Packing Materials are valued at cost or net realizable value, whichever is lower. Goods in transit are valued at cost or net realizable value, whichever is lower.

The cost of inventory of Raw material, Packing material, Accessories and stores and spares comprises of all cost of purchases, including non-refundable taxes,

Semi Finished Goods, Finished Goods and WIP comprise of conversion cost and other costs incurred in bringing the inventory to their present location and conditions. Cost is arrived at on Weighted Average basis.

**vi) Property, plant and equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any.

Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied and the carrying amount of old part is written off. All other repair and maintenance costs are recognised in the statement of comprehensive income as incurred.

**vii) Intangible Assets**

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible Assets are amortized on a systematic basis over its useful life on straight line basis and the amortization for each period will be recognized as an expense.

i) Computer Software is amortised on Straight Line Method over a period of three years.

**viii) Depreciation**

Depreciation on Plant, Property and Equipment has been provided on the Straight Line Method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and



related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

#### ix) **Borrowing costs**

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit & Loss.

#### x) **Taxes on Income**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

##### a) **Current Income Tax**

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

##### **Current tax assets and liabilities are offset only if, the Company:**

- has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

##### b) **Deferred Income Tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

##### **Deferred tax assets and liabilities are offset only if:**

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

#### xi) **Leases**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to



direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

## **xii) Financial Assets**

### **a) Initial recognition and measurement**

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

### **b) Subsequent measurement**

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

#### **(i) Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

#### **(ii) Debt instruments at Fair value through Other Comprehensive Income (FVOCI)**

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit & Loss. Other net gains and losses are recognised in other comprehensive Income.

**(iii) Debt instruments at Fair value through profit or loss (FVTPL)**

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

**(iv) Equity investments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

**c) Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when.

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments and equity instruments (measured at FVTPL) are recognised in the Statement of Profit & Loss. Accumulated gains or losses on equity instruments measured at FVOCI are never reclassified to the Statement of Profit & Loss.

**d) Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets measured at amortised cost, the loss allowance is measured at 12 month ECL for financial assets with low credit risk at the reporting date and there is a significant deterioration in the credit risk since initial recognition of the asset.

**xiii) Financial Liabilities****a) Initial recognition and measurement**

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

**b) Subsequent measurement**

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

**(i) Financial Liabilities at fair value through profit or loss (FVTPL)**

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

**(ii) Financial Liabilities measured at amortised cost**

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR").

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit & Loss.

**c) Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

**xiv) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**xv) Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:



- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### **xvi) Financial guarantees**

Financial guarantee contracts issued by the Corporation are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

#### **xvii) Cash & Cash Equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### **xviii) 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 employee benefits:**

##### **Defined Contribution plans:**

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

**Defined benefit plans:**

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in OCI are not be to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.

**xix) Events after Reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

**xx) Foreign Currency Transactions:****a) Functional and Presentation Currency:**

The Financial Statements are presented in Indian rupees which is the functional currency for the Company. All amounts have been rounded off to the nearest lakh, unless otherwise indicated. Hence, the figures already reported for all the quarters during the year might not add up to the year figures reported in this statement.

**b) Transactions and Balances**

- Transactions denominated in foreign currency are normally accounted for at the exchange rate prevailing at the time of transaction.
- Monetary assets and Liabilities in foreign currency transactions remaining unsettled at the end of the year are translated at the year-end rates and the corresponding effect is given to the statement of profit and loss.
- Exchange differences' arising on account of fluctuations in the rate of exchange is recognized in the statement of Profit & Loss.
- Exchange rate difference arising on account of conversion/translation of liabilities incurred for acquisition of Fixed Assets is recognized in the Statement of Profit & Loss.
- Non-monetary items are reported at the exchange rate at the date of transaction.

**xxi) Impairment of Assets:**

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite life may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**xxii) Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present



obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions are not discounted to present value and are determined based on best 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 best estimates.

#### **xxiii) Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the condensed standalone financial statements.

#### **xxiv) Earnings per Share**

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares

#### **xxv) Classification of Assets and Liabilities as Current and Non-Current:**

All assets and liabilities are classified as current or non-current as per the Corporation's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act

#### **xxvi) Cash Flows**

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

#### **xxvii) Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

The Company has identified its Managing Director as CODM which assesses the operational performance and position of the Company and makes strategic decisions.



**Note 2 : Property, Plant and Equipment**

**Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2020:**

Particulars	Land- Freehold	Building	Plant and machineries	Electricals	Indigenous Equipment	Computers Equipments	Air conditioner	Office Equipments	Vehicle	Furniture & Fixtures	Total (₹ In Lacs)
Gross carrying value as of April 1, 2019	16.44	666.68	2,928.04	167.04	707.69	58.12	6.20	8.02	32.65	119.93	4,710.80
Additions	-	330.51	320.90	-	112.74	7.38	-	0.16	-	-	771.69
Deletions	-	-	(5.31)	-	-	-	-	-	-	-	(5.31)
<b>Gross carrying value as of March 31, 2020</b>	<b>16.44</b>	<b>997.19</b>	<b>3,243.63</b>	<b>167.04</b>	<b>820.43</b>	<b>65.50</b>	<b>6.20</b>	<b>8.18</b>	<b>32.65</b>	<b>119.93</b>	<b>5,477.18</b>
Accumulated depreciation as of April 1, 2019	-	292.92	1,617.21	118.28	448.42	50.03	3.74	5.51	12.56	84.18	2,632.84
Depreciation	-	27.95	143.91	5.81	49.43	5.82	0.32	1.22	3.10	7.02	244.57
Accumulated depreciation on deletions	-	-	(0.69)	-	-	-	-	-	-	-	(0.69)
<b>Accumulated depreciation as of March 31, 2020</b>	<b>-</b>	<b>320.87</b>	<b>1,760.43</b>	<b>124.09</b>	<b>497.84</b>	<b>55.85</b>	<b>4.05</b>	<b>6.73</b>	<b>15.66</b>	<b>91.20</b>	<b>2,876.72</b>
<b>Carrying value as of March 31, 2020</b>	<b>16.44</b>	<b>676.32</b>	<b>1,483.20</b>	<b>42.95</b>	<b>322.59</b>	<b>9.65</b>	<b>2.14</b>	<b>1.45</b>	<b>16.99</b>	<b>28.73</b>	<b>2,600.46</b>

**Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2021:**

Particulars	Land- Freehold	Building	Plant and machineries	Electricals	Indigenous Equipment	Computers Equipments	Air conditioner	Office Equipments	Vehicle	Furniture & Fixtures	Total (Rs. In Lacs)
Gross carrying value as of April 1, 2020	16.44	997.19	3,243.63	167.04	820.43	65.50	6.20	8.18	32.65	119.93	5,477.18
Additions	-	464.80	73.97	-	16.53	2.21	-	-	-	-	557.51
Deletions	-	-	-	-	-	-	-	-	-	-	-
<b>Gross carrying value as of March 31, 2021</b>	<b>16.44</b>	<b>1,461.99</b>	<b>3,317.60</b>	<b>167.04</b>	<b>836.96</b>	<b>67.71</b>	<b>6.20</b>	<b>8.18</b>	<b>32.65</b>	<b>119.93</b>	<b>6,034.69</b>
Accumulated depreciation as of April 1, 2020	-	320.87	1,760.43	124.09	497.84	55.85	4.05	6.73	15.66	91.20	2,876.72
Depreciation	-	35.52	144.92	5.81	50.89	4.33	0.32	0.81	2.02	6.91	251.52
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-
<b>Accumulated depreciation as of March 31, 2021</b>	<b>-</b>	<b>356.38</b>	<b>1,905.35</b>	<b>129.90</b>	<b>548.73</b>	<b>60.18</b>	<b>4.37</b>	<b>7.54</b>	<b>17.68</b>	<b>98.11</b>	<b>3,128.23</b>
<b>Carrying value as of March 31, 2021</b>	<b>16.44</b>	<b>1,105.60</b>	<b>1,412.25</b>	<b>37.14</b>	<b>288.23</b>	<b>7.53</b>	<b>1.83</b>	<b>0.64</b>	<b>14.97</b>	<b>21.82</b>	<b>2,906.46</b>

**Note 3 : Intangible assets**

Following are the changes in the carrying value of Intangible Assets for the year ended March 31, 2020:

	(₹ In Lacs)
Particulars	Software
Gross carrying value as of April 1, 2019	39.86
Additions	3.36
Deletion	-
<b>Gross carrying value as of March 31, 2020</b>	<b>43.22</b>
Accumulated amortization as of April 1, 2019	33.64
Depreciation for the year	4.59
Deletion	-
<b>Accumulated amortization as of March 31, 2020</b>	<b>38.23</b>
<b>Carrying value as of March 31, 2020</b>	<b>4.99</b>

Following are the changes in the carrying value of Intangible Assets for the year ended March 31, 2021:

	(₹ In Lacs)
Particulars	Software
Gross carrying value as of April 1, 2020	43.22
Additions	5.74
Deletion	-
<b>Gross carrying value as of March 31, 2021</b>	<b>48.96</b>
Accumulated amortization as of April 1, 2020	38.23
Depreciation for the year	3.92
Deletion	-
<b>Accumulated amortization as of March 31, 2021</b>	<b>42.15</b>
<b>Carrying value as of March 31, 2021</b>	<b>6.82</b>
<b>WIP</b>	
Building	120.52
IVD	19.64
	<b>140.16</b>

**Right to use Lease Assets**

	(₹ In Lacs)
Particulars	Lease Assets
<b>Carrying value as of April 1, 2020</b>	25.30
Depreciation for the year	(4.46)
Knock off with Lease Liability	(20.84)
<b>Carrying value as of March 31, 2021</b>	<b>-</b>

**Note 4 : Other financial assets****(₹ In Lacs)**

<b>Particulars</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Security Deposit for Services	-	-
Security Deposit for Tender	-	-
	-	-

**Note 5 : Other non-current assets****(₹ In Lacs)**

<b>Particulars</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Advances for Capital Goods	-	-
	-	-

**Note 6 : Inventories****(Valued at lower of cost or Net Realisable Value)****(₹ In Lacs)**

<b>Particulars</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Raw materials and components #	197.75	147.26
Fuel	2.73	8.32
Packing Material #	232.65	362.44
Finished Goods #	945.35	1,129.94
	<b>1,378.48</b>	<b>1,647.96</b>

# Includes Good in Transit

**Note 7 : Trade receivables****(₹ In Lacs)**

<b>Particulars</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
<b>Unsecured, Considered Good</b>		
More than 6 Months	653.96	485.80
Others	1,892.77	3,705.07
	<b>2546.73</b>	<b>4,190.87</b>
<b>Unsecured, Considered Doubtful</b>	117.01	38.88
	<b>2,663.74</b>	<b>4,229.75</b>
Less : Expected Credit Loss	(117.01)	(40.63)
	<b>2,546.73</b>	<b>4,189.12</b>
<b>Current Portion of Trade Receivables</b>	<b>2,546.73</b>	<b>4,189.12</b>

**Note 8 : Current Investments****(₹ In Lacs)**

<b>Particulars</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
<b>Unquoted Investments</b>		
<b>Investments in Mutual Funds at fair value through Profit and loss*</b>		
21275599 (21275599, FY20) Units of HDFC Corporate Debt Opp	387.38	354.16
5165316 (5165316, FY20) Units of Kotak Income Opportunities Fund	1203.83	1,133.82
1123254 (1123254, FY20) Units of Kotak Medium Term Fund	194.75	183.00
	<b>1,785.96</b>	<b>1,670.97</b>
<b>Other</b>		
Corporate Fixed Deposit	2,975.76	450.89
<b>Aggregate Value of Current Investments</b>	<b>4,761.72</b>	<b>2,121.86</b>

\* Represents lien marked against various funded and non-funded banking facilities.

**Note 9 : Cash and cash equivalents****(₹ In Lacs)**

<b>Particulars</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Cash on Hand	2.47	7.91
<b>Balances with Banks in</b>		
-Rupees Current Accounts	91.25	33.96
-Foreign Currency Current Accounts	5.52	52.83
	<b>99.25</b>	<b>94.70</b>

**Note 10 : Bank balances other than cash & cash equivalents****(₹ In Lacs)**

<b>Particulars</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Fixed deposits with original maturity of more than 3 to 12 months #	1,704.33	3,475.51
Earmarked balances with banks		
Unpaid Dividend @	124.59	113.32
	<b>1,828.91</b>	<b>3,588.83</b>

# Include Interest accrued but not due on bank deposits and also includes bank deposit of Rs. 1629.32 (31.03.2020 INR 3265.94 lacs) lien marked against various funded and non-funded banking facilities.

@ Excludes unclaimed / unpaid amount of demand draft debited to Dividend bank account

**Note 11 : Short Term Loan**

(₹ In Lacs)

Particulars	As at 31.03.2021	As at 31.03.2020
Loan to Others	159.67	25.31
Loan to Employee	19.05	24.32
	<b>178.71</b>	<b>49.63</b>

**Note 12 : Other financial assets**

(Unsecured, Considered Good)

(₹ In Lacs)

Particulars	As at 31.03.2021	As at 31.03.2020
Capital Advances	67.75	6.36
Others Advances	14.23	73.36
	<b>81.98</b>	<b>79.72</b>

**Note 13 : Other current assets**

Particulars	As at 31.03.2021	As at 31.03.2020
Balances with government authorities	1,193.32	1,637.10
Unamortised Portion of Rent	-	1.63
Prepaid Expenses	31.53	35.11
Others	1.12	2.29
Security Deposits	82.74	84.99
	<b>1,308.71</b>	<b>1,761.13</b>

**Note 14 : Equity Share capital**

(₹ In Lacs)

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Authorised</b>		
160.00 Lakhs Equity Shares of Rs.10 each	<b>1,600.00</b>	<b>1,600.00</b>
<b>Issued, Subscribed and Fully Paid Up</b>		
133.38 Lakhs (31.03.2019 : 133.38 Lakhs) Equity Shares of Rs.10 each fully paid up.	<b>1,333.80</b>	<b>1,333.80</b>
	<b>1,333.80</b>	<b>1,333.80</b>

**a) Reconciliation of shares outstanding at the beginning and at the end of the period**

Particulars	As at 31.03.2021		As at 31.03.2020	
	No. in lakhs	Rs. In lakhs	No. in lakhs	Rs. In lakhs
<b>Equity Shares</b>				
At the beginning of the year	133.38	1,333.80	133.38	1,333.80
Issued during the year #	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>133.38</b>	<b>1,333.80</b>	<b>133.38</b>	<b>1,333.80</b>



# During the year FY 18-19 Company had allotted 22.23 Lacs Equity share of Rs. 10 each by way of bonus shares in ratio 1 : 5 to equity shareholder of the Company.

**b) Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The final dividend, if any, proposed by Board of Directors is subject to approval by the Shareholder

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of Shareholders holding more than 5% shares in the company:**

Particulars	As at 31.03.2021		As at 31.03.2020	
	No.	% holding	No.	% holding
Veena Garg	59,53,800	44.64	59,53,800	44.64

**Note 15 : Other Equity**

OTHER EQUITY :					
Reserves and Surplus					
Particulars	Securities Premium Reserve	Capital Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 1,2019	80.46	30.00	6,155.84	(6.58)	6,259.72
Profit/ Loss for the year	-	-	3,984.06	-	3,984.06
Final Dividend Paid FY 2018 - 19	-	-	(400.14)	-	(400.14)
Dividend Tax Paid Final Dividend FY 2018-19	-	-	(82.27)	-	(82.27)
1st Interim Dividend Paid FY 2019 -20	-	-	(133.38)	-	(133.38)
Dividend Tax Paid on Interim Dividend FY 2019 -20	-	-	(27.42)	-	(27.42)
2nd Interim Dividend Paid FY 2019 -20	-	-	(466.83)	-	(466.83)
Dividend Tax Paid on Interim Dividend FY 2019 -20	-	-	(95.96)	-	(95.96)
<b>Other Comprehensive Income :</b>					-
Remeasurements of net defined benefit plans	-	-	-	(25.31)	(25.31)
<b>Balance as at 31st March,2020</b>	<b>80.46</b>	<b>30.00</b>	<b>8,933.90</b>	<b>(31.89)</b>	<b>9,012.47</b>
Profit/ Loss for the year	-	-	2,898.33	-	2,898.33
1st Interim Dividend Paid FY 2020 -21	-	-	(133.38)	-	(133.38)
<b>Other Comprehensive Income :</b>					
Remeasurements of net defined benefit plans	-	-	-	(26.22)	(26.22)
<b>Balance as at 31st March,2021</b>	<b>80.46</b>	<b>30.00</b>	<b>11,698.85</b>	<b>(58.11)</b>	<b>11,751.21</b>

**Nature and Purpose of Reserves****Securities Premium Reserve**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

# INR 222.30 Lacs had been used towards for the Issue of Bonus shares during the year FY 18-19.

**Capital Reserve**

Capital reserve will be utilised in accordance with provision of the Act.

**Retained Earnings**

Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

General Reserve is created out of profits earned by the company by way of transfer from surplus in the statement of profit & Loss. The company can use this reserve for the payment of dividend and issue of fully paid up and not paid bonus shares.

**Non Current Liabilities****Note 16 : Deferred tax liabilities (net)****(₹ In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Deferred Tax Liabilities</b>		
Excess of net block of fixed assets as per books of accounts over net block for tax purpose	124.96	186.73
<b>Deferred Tax Assets</b>		
Provision for Expenses	32.88	25.47
Remeasurements of net defined benefit plans	22.22	13.40
<b>Net Deferred Tax liability (a-b)</b>	<b>69.86</b>	<b>147.85</b>
<b>Deferred Tax Charge/(Credit) for the year</b>	<b>(77.99)</b>	<b>(29.46)</b>

**Note 17 : Current Borrowings**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Working capital loans from banks</b>		
Secured	-	-
Working Capital Assistance Loan from Banks #	-	1.24
Working Capital in Foreign Currency for Pre and Post Shipment	-	3,128.51
	<b>-</b>	<b>3,129.75</b>

**Notes on BORROWING**

# As on 31st March 21, Outstanding amount on borrowing is NIL, However Rate of interest is 7.75 % p.a. on Cash Credit Loan which is 6 months MCLR rate. The same is secured against the Mutual funds.

# Rate of interest is higher by 0.50 % p.a. on cash credit against the interest rate on fixed deposit, which is secured against Fixed Deposit.

\* WC facilities in foreign currency for pre and post shipment is linked to LIBOR plus spread as per sanction terms.

**Note 18 : Trade payables****(₹ In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>Current</b>		
<b>Trade payables</b>		
i) Total Outstanding dues of Micro, Small and Medium Enterprises	230.27	449.75
ii) Total Outstanding dues of Vendors other than above	775.54	1,733.68
	<b>1,005.81</b>	<b>2,183.43</b>

**Note 19 : Other financial liabilities****(₹ In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
Employee benefit expenses payable	56.27	48.71
Unpaid Dividend Account	124.59	113.32
Other	394.46	41.09
	<b>575.32</b>	<b>203.12</b>

**Note 20 : Provisions****(₹ In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
Leave Encashment	68.86	33.62
Gratuity payable / ( Excess provided as per Valuation report )	35.41	29.42
	<b>104.27</b>	<b>63.04</b>

**Note 21 : Other current liabilities****(₹ In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
Statutory Liabilities	71.65	77.99
Advance from customers (In foreign Currency)	-	81.42
Advance from customers	48.87	6.88
	<b>120.52</b>	<b>166.29</b>

**Note 22 : Revenue from operations****(₹ In Lacs)**

<b>Particulars</b>	<b>Year ended 31.03.2021</b>	<b>Year ended 31.03.2020</b>
<b>Revenue from operations</b>		
Sale of products (Net of sale return and discounts)	14,076.25	15,397.38
<b>Other operating revenue</b>		
Export benefits & duty drawback incentives	380.97	549.54
Gain on foreign exchange fluctuations (net)	(84.18)	178.13
	<b>14,373.05</b>	<b>16,125.05</b>

**Note 23 : Other income****(₹ In Lacs)**

<b>Particulars</b>	<b>Year ended 31.03.2021</b>	<b>Year ended 31.03.2020</b>
<b>Interest income on</b>		
Bank deposits	268.07	176.43
Loans & Advances	1.21	2.54
Others	1.74	1.94
Miscellaneous income	22.57	20.61
Short term capital gain on mutual fund	-	20.05
Interest Income on financial assets at amortised cost	-	-
Unrealised Income on Mutual Fund	114.99	108.12
Leased Rent from Commercial Property	8.40	9.80
Service Provider & License Agreement	100.00	-
	<b>516.98</b>	<b>339.49</b>

**Note 24 : Cost of materials consumed****(₹ In Lacs)**

<b>Particulars</b>	<b>Year ended 31.03.2021</b>	<b>Year ended 31.03.2020</b>
<b>Raw Materials</b>		
Opening stocks	147.26	133.04
Add : Purchases	1,955.08	2,064.15
	2,102.34	2,197.18
Less : Goods In Transit	5.89	-
Less : Closing stocks	191.86	147.26
<b>Total (a)</b>	<b>1,904.59</b>	<b>2,049.92</b>
<b>Furnance Oil</b>		
Opening Stocks	8.32	4.45
Add : Purchases	97.64	80.42
	<b>105.96</b>	<b>84.87</b>
Less : Closing Stocks	2.73	8.32
<b>Total (b)</b>	<b>103.23</b>	<b>76.55</b>

**Packing Material**

Opening Stocks	362.44	277.09
Add : Purchases	1,486.01	2,061.81
	1,848.44	2,338.90
Less : Goods In Transit	28.65	-
Less : Closing stocks	204.01	362.44
<b>Total (c)</b>	<b>1,615.79</b>	<b>1,976.46</b>
<b>Stores and Consumables</b>		
Opening Stocks	-	4.63
Add : Purchases	359.80	463.65
	359.80	468.28
Less : Closing stocks	-	-
<b>Total (d)</b>	<b>359.80</b>	<b>468.28</b>
Purchase of Semi-finished Goods / Finised Goods ( e )	787.48	339.18
Less: Taxes / Excise duty refund on Purchase ( f )	-	-
Taxes refund / GST taxes Expense Out ( NET ) ( g )	90.75	84.41
	<b>4,861.63</b>	<b>4,994.80</b>

**Note 25 : Changes in inventories of finished goods, work in process and stock in trade** (₹ In Lacs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<b>Opening Stocks</b>		
- Work in Process	-	3.79
- Finished Goods	1,129.94	368.41
	<b>1,129.94</b>	<b>372.19</b>
<b>Less : Closing Stocks</b>		
- Work in Process	-	-
- Finished Goods	945.35	1,129.94
	<b>945.35</b>	<b>1,129.94</b>
	<b>184.59</b>	<b>(757.75)</b>

**Note 26 : Employee benefits expense** (₹ In Lacs)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Salaries, wages & bonus	695.54	594.54
Directors' remuneration	161.11	162.73
Directors Sitting Fees	18.75	18.00
Contribution to provident funds & Others	51.32	43.71
Contribution to Other funds	2.95	3.23
Workmen & staff welfare	40.05	44.40
Leave eanchment	45.16	7.47
	<b>1,014.88</b>	<b>874.08</b>

**Note 27 : Finance costs****(₹ In Lacs)**

<b>Particulars</b>	<b>Year ended 31.03.2021</b>	<b>Year ended 31.03.2020</b>
Interest expense	32.52	49.37
Bank Charges	5.91	2.95
Lease Interest Expenses	0.97	0.53
	<b>39.40</b>	<b>52.85</b>

**Note 28 : Depreciation and amortisation expense****(₹ In Lacs)**

<b>Particulars</b>	<b>Year ended 31.03.2021</b>	<b>Year ended 31.03.2020</b>
Depreciation of Property, Plant & Equipment	251.52	243.88
Depreciation on Intangible Properties	3.92	4.59
Depreciation on Leased Assets	4.46	1.49
	<b>259.89</b>	<b>249.96</b>

**Note 29 : Other expenses****(₹ In Lacs)**

<b>Particulars</b>	<b>Year ended 31.03.2021</b>	<b>Year ended 31.03.2020</b>
Freight & Transport	49.32	33.18
Packing Handling	323.68	329.73
Power and Fuel	480.48	614.82
Inspection and Testing Charges	229.30	20.97
Water Charges	26.61	18.29
<b>Repairs and maintenance</b>		
- Building	15.25	28.19
- Plant and machinery	38.86	51.49
- Others	70.92	80.90
<b>Admin</b>		
Travelling & conveyance	62.85	60.78
Rates, Taxes and Insurance	58.20	44.15
Rent Expenses	21.49	11.71
Printing & stationery	11.56	15.30
Computer Maintenance	4.93	10.09
Professional Charges	114.69	155.44
Commission on Sales	742.04	705.11
Provision for Expenses	358.72	-
Provision for ECL	115.26	38.88
Trade Expenses	1,313.72	2,783.49
Bad Debts	1.74	4.75



Membership Subscription	3.75	31.84
GST Expenses	51.73	104.97
Late Delivery Charges	12.06	-
Interest on Delay Payment	4.37	-
Interest on GST	13.50	-
Auditors' remuneration	2.50	2.50
Postage and Telephone charges	22.88	19.73
Security Charges	14.84	13.27
Advertisement & sales promotion expenses	21.42	14.92
Product Registration Fees	34.25	81.03
Clearing, Freight and Transportation	342.10	388.88
Corporate Social Responsibility	48.41	35.62
Miscellaneous expenses	98.11	80.17
	<b>4,709.54</b>	<b>5,780.20</b>

**Payments to Auditor****(₹ In Lacs)**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Audit fees	2.00	2.00
Tax Audit	0.50	0.50
	<b>2.50</b>	<b>2.50</b>

**Note 30 : Earnings per equity share**

In accordance with Indian Accounting Standard 33 - Earning Per Share, the computation of earning per share is set below:

**(₹ In Lacs)**

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<b>i) Weighted average number of Equity Shares of Rs. 10 each</b>		
a) Number of shares at the beginning of the year	133.38	133.38
b) Number of shares at the end of the period #	133.38	133.38
c) Weighted average number of shares outstanding during the year	133.38	133.38
<b>ii) Net Profit after tax available for equity shareholders</b>	<b>2,898.33</b>	<b>3,984.06</b>
<b>iii) Basic Earning Per Share</b>	<b>21.73</b>	<b>29.87</b>
<b>iv) Diluted Earning Per Share</b>	<b>21.73</b>	<b>29.87</b>
<b>v) Adjusted Earning Per Share (After Bonus Share Effect) #</b>	<b>21.73</b>	<b>29.87</b>

**Note:**

The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earning per share of the Company remain the same.

#During the year FY 18-19 Company had allotted 22.23 Lacs Equity share of Rs. 10 each by way of bonus shares in ratio 1 : 5 to equity shareholder of the Company.

**Note 31 : Contingent Liabilities****(₹ In Lacs)**

<b>Contingent Liabilities not provided for :</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
A) Guarantee given by Banks on behalf of the Company	46.60	198.14
B) Estimated amount of contracts remaining to be executed on capital account	331.63	21.00

**Note 32 : Income Tax Expenses****(₹ In Lacs)**

<b>Income tax expense</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
A. Amounts recognised in statement of profit and loss		
<b>Current tax</b>		
Current year	946.98	1,316.64
Short /(excess) provision of earlier years	43.96	(9.37)
<b>Deferred tax</b>		
Attributable to—		
Origination and reversal of temporary differences	(69.18)	(20.92)
	<b>921.76</b>	<b>1,286.35</b>

	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
<b>B. Reconciliation of effective tax rate</b>		
<b>Profit before tax</b>	3,820.10	5,270.41
Tax at the Indian tax rate of 25.168%%	961.44	1,326.46
Tax Effect of expenses that are not deductible in determining taxable profit	12.22	9.11
Tax Impact of income not subject to tax	(28.94)	(27.21)
Effect of Differenet tax rate	-	(1.61)
Adjustment of Current Tax of Prior Period	43.96	(9.37)
Others	(66.93)	(11.03)
Income tax expenses recognised in statement of profit and loss	<b>921.76</b>	<b>1,286.35</b>

\* The tax rate used for the current year reconciliation above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.



(₹ In Lacs)

C. Income tax recognised in other comprehensive income	As at 31.03.2021	As at 31.03.2020
Remeasurement of defined benefit liability (asset)	(35.04)	(33.82)
Bifurcation of the income tax recognised in other comprehensive income Items that will not be reclassified to profit or loss - Income tax on Remeasurement of defined benefit liability (Asset)	8.82	8.51

**Note 33 : Segment Reporting**

(i) Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director Officer of the Company. The Company operates only in one Business Segment i.e. "Manufacturing of Contraceptives", hence does not have any reportable Segments as per IndAS 108 "Operating Segments".

(ii) The amount of the company's revenue from external customers (Outside India) broken down by each product and service is as shown in the table below :-

**Revenue from customers :-**

(₹ In Lacs)

Nature of product or service	2020-21	2019-20
a. Male Condoms	7,650.08	6,037.81
b. Female Condoms	5,451.49	9,152.63
c. Jelly	218.28	203.82
d. IVD	756.40	-
e. Other	-	3.12
<b>Total</b>	<b>14,076.25</b>	<b>15,397.38</b>

(iii) A total of external customers contribute more than 10% of company's total revenue. The amount of the company's revenue from external customers broken down into revenue from single major customer is as shown in the table below -

**Information about major customer :-**

(₹ In Lacs)

Location of Customer (Export)	2020-21	2019-20
(i) Brazil	5,032.58	8,435.52
(ii) South Africa *	372.11	1,803.02
(iii) Tanzania	2,695.45	-
(iv) Uganda	1,520.91	-
<b>Total Revenue</b>	<b>9,621.05</b>	<b>10,238.54</b>

\* This year south africa has contributed less than 10%, however for comparative purpose figures are provided.

**Note 34 : Disclosures on Related party transactions****List of Related Parties and Relationships:****a) Key Management Personnel / Promoter Directors****(₹ In Lacs)**

<b>Name of related party</b>	<b>Relation</b>
Mr. Omprakash Garg	Chairman & MD, KMP
Mrs. Veena Garg	Non Executive Director & Spouse of Om Prakash Garg
Mr. Pradeep Kumar Jain	Non Executive Director- Independent director
Mr. Jandhyala L. Sharma	Non Executive Director- Independent director
Mrs. Nalini M. Mishra	Non Executive Director- Independent director
Mr. Suresh Chand Garg	Non Executive Director Brother of Mr. Omprakash Garg
Mr. Saurabh V. Karmase	Company Secretary and Compliance Officer, KMP
Mr. Narendra Joshi	Chief Financial Officer
Mr. Durgesh Garg	Nephew of Omprakash Garg
Mr. Pawan Bansal	Nephew of Omprakash Garg

**b) Transaction with Key managerial Personnel and Related Parties**

<b>Particulars</b>	<b>Details</b>	<b>Year ended 31.03.2021</b>	<b>Year ended 31.03.2020</b>
Mr. Omprakash Garg#	Director Remuneration	68.05	68.05
Mr. Omprakash Garg#	Commission	77.78	102.73
Mrs. Veena Garg	Sitting Fees & Commission	8.57	4.80
Mr. Pradeep Kumar Jain	Sitting Fees & Commission	10.82	6.75
Mr. Jandhyala L. Sharma	Sitting Fees & Commission	10.37	6.45
Mrs. Nalini M. Mishra	Sitting Fees & Commission	6.17	-
Mr. Suresh Chand Garg	Sitting Fees & Commission	6.17	-
Mr. Durgesh Garg	Salary	29.87	26.36
Mr. Pawan Bansal	Salary	19.77	17.15
Mr. Saurabh V. Karmase**#	Salary	11.54	10.00
Mr. Narendra Joshi **#	Salary	8.91	8.13

**c) Closing balances with Key managerial Personnel and Related Parties**

<b>Particulars</b>	<b>Details</b>	<b>Year ended 31.03.2021</b>	<b>Year ended 31.03.2020</b>
Mr. Omprakash Garg#	Paybles	48.16	67.82
Mrs. Veena Garg	Paybles	4.32	-
Mr. Pradeep Kumar Jain	Paybles	4.32	-
Mr. Jandhyala L. Sharma	Paybles	4.32	-
Mrs. Nalini M. Mishra	Paybles	4.32	-
Mr. Suresh Chand Garg	Paybles	4.32	-
Mr. Durgesh Garg	Receivables	12.42	-
Mr. Pawan Bansal	Receivables	1.00	-

# Includes Gross salary and others.

Note: Related Parties are as disclosed by the Management and relied upon by the auditors.

**Note 35 : Employee benefit expenses****Post Employment Benefit Plans:****Defined Contribution Scheme****(₹ In Lacs)**

Amount recognised in the Statement of Profit and Loss	2020-21	2019-20
Contribution to Provident fund and others	51.32	43.71

**Defined Benefit Plans**

The Company has the following Defined Benefit Plans:

Gratuity: In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by life Insurance Companies under their respective Group Gratuity Schemes.

The disclosure in respect of the defined Gratuity Plan are given below:

Particulars	Defined Benefit Plans	
	As at 31.03.2021	As at 31.03.2020
Present value of funded obligations	133.63	98.05
Fair Value of plan assets	103.50	100.49
<b>Net (Asset)/Liability recognised</b>	<b>30.14</b>	<b>(2.44)</b>

**Movements in plan assets and plan liabilities**

Particulars	Present value of obligations	Fair Value of plan assets
<b>As at 1st April 2020</b>	133.63	103.50
Current service cost	10.22	-
Past service cost	-	-
Adjustment to opening Fair value of Plan Assets	-	6.61
Interest Cost/(Income)	8.92	8.44
Return on plan assets excluding amounts included in net finance income	-	(7.71)
Actuarial (gain)/loss arising from changes in financial assumptions	6.91	-
Actuarial (gain)/loss arising from experience adjustments	19.59	-
Employer contributions	-	33.02
Benefit payments	(4.97)	(4.97)
<b>As at 31st March 2021</b>	<b>174.30</b>	<b>138.89</b>

**Statement of Profit and Loss**

(₹ In Lacs)

<b>Employee benefit expenses :</b>	<b>2020-21</b>
Current Service cost	10.22
Past service cost	-
Interest cost/ (Income)	0.48
Expected return on Plan Assets	-
<b>Total amount recognised in Statement of P&amp;L</b>	<b>10.70</b>
Remeasurement of the net defined benefit liability :	
Return on plan assets excluding amounts included in net finance income/(cost)	7.71
Actuarial Gain/loss recognised for asset limit affect	26.49
<b>Total amount recognised in Other Comprehensive Income</b>	<b>34.21</b>

**Investment pattern for Fund as on**

(₹ In Lacs)

<b>Category of Asset</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Policy of insurance/Insurer Managed funds	100%	100%
Bank Balance	0%	0%
Other Investments	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**Assumptions**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

<b>Financial Assumptions</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Discount rate	6.32%	6.80%
Salary growth rate	3.00%	3.00%
Expected Rate of Return	4.00%	4.00%
Employee Attrition Rate	Age: 0 to 60 : 1%	Age: 0 to 60 : 1%



### Demographic Assumptions

Mortality in service : Indian Assured Lives Mortality (2012-14)

### Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

(₹ In Lacs)

Particulars	As at 31.03.2021 Increase / Decrease in liability
Discount rate varied by 1%	
1.00%	160.38
-1.00%	190.18
Salary growth rate varied by 1%	
1.00%	189.44
-1.00%	160.87

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

The expected future cash flows as at 31st March 2021 were as follows:

Expected contribution Projected benefits payable in future years from the date of reporting	Cashflow
2022	5.65
2023	3.49
2024	26.49
2025	15.63
2026	3.24
2027-2031	93.20



### Note 36 : Financial instruments – Fair values and risk management

#### A. Accounting classification and fair values

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ In Lacs)

Financial Asset & Liabilities as at 31st March 2021	Non Current	Current	Total	Routed through Profit & Loss				Routed through OCI	Carried at Amortised Cost	Total Amount
				Level 1	Level 2	Level 3	Total			
<b>Financial assets</b>										
<b>Investments</b>										
- Mutual funds	-	1,785.96	1,785.96	1,785.96	-	-	1,785.96	-	-	1,785.96
- Corporate Deposit	-	2,975.76	2,975.76	-	-	-	-	-	2,975.76	2,975.76
	-	<b>4,761.72</b>	<b>4,761.72</b>	<b>1,785.96</b>	-	-	<b>1,785.96</b>	-	<b>2,975.76</b>	<b>4,761.72</b>
<b>Other Assets</b>										
Trade receivables	-	2,546.73	2,546.73	-	-	-	-	-	2,546.73	2,546.73
Cash and cash equivalents	-	99.25	99.25	-	-	-	-	-	99.25	99.25
Bank balances other than cash & cash equivalents	-	1,828.91	1,828.91	-	-	-	-	-	1,828.91	1,828.91
Other Financial Assets	-	164.72	164.72	-	-	-	-	-	164.72	164.72
	-	<b>9,401.33</b>	<b>9,401.33</b>	<b>1,785.96</b>	-	-	<b>1,785.96</b>	-	<b>7,615.37</b>	<b>9,401.33</b>
<b>Financial liabilities</b>										
Lease Liabilities	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	575.32	575.32	-	-	-	-	-	575.32	575.32
Trade Payables	-	1,005.81	1,005.81	-	-	-	-	-	1,005.81	1,005.81
	-	<b>1,581.14</b>	<b>1,581.14</b>	-	-	-	-	-	<b>1,581.14</b>	<b>1,581.14</b>



Financial Asset & Liabilities as at 31st March 2020	Non Current	Current	Total	Routed through Profit & Loss				Routed through OCI	Carried at Amortised Cost	Total Amount
				Level 1	Level 2	Level 3	Total			
<b>Financial assets</b>										
<b>Investments</b>										
- Mutual funds	-	1,670.97	1,670.97	1,670.97	-	-	1,670.97	-	-	1,670.97
- Corporate Deposit	-	450.89	450.89					-	450.89	450.89
	-	<b>2,121.86</b>	<b>2,121.86</b>	<b>1,670.97</b>	-	-	<b>1,670.97</b>	-	<b>450.89</b>	<b>2,121.86</b>
<b>Other Assets</b>										
Trade receivables	-	4,189.12	4,189.12	-	-	-	-	-	4,189.12	4,189.12
Cash and cash equivalents	-	94.70	94.70	-	-	-	-	-	94.70	94.70
Bank balances other than cash & cash equivalents	-	3,588.83	3,588.83	-	-	-	-	-	3,588.83	3,588.83
Other Financial Assets	-	164.71	164.71	-	-	-	-	-	164.71	164.71
	-	<b>10,159.22</b>	<b>10,159.22</b>	<b>1,670.97</b>	-	-	<b>1,670.97</b>	-	<b>8,488.24</b>	<b>10,159.22</b>
<b>Financial liabilities</b>										
Lease Liabilities	10.29	6.75	17.04	-	-	-	-	-	17.04	17.04
Borrowings	-	3,129.75	3,129.75	-	-	-	-	-	3,129.75	3,129.75
Other Financial Liabilities	-	203.12	203.12	-	-	-	-	-	203.12	203.12
Trade Payables	-	2,183.43	2,183.43	-	-	-	-	-	2,183.43	2,183.43
	<b>10.29</b>	<b>5,523.05</b>	<b>5,533.34</b>	-	-	-	-	-	<b>5,533.34</b>	<b>5,533.34</b>

## B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

### Financial instruments measured at fair value

Type	Valuation technique
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.

**Market risk**

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

**Currency risk**

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in U.S. dollars. The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

**Exposure to currency risk**

The currency profile of financial assets and financial liabilities as at March 31, 2021 and March 31, 2020.

	(Foreign Currency in lacs)	
	USD	In Rs
<b>31st March, 2021</b>		
<b>Financial assets</b>		
Trade receivables	36.95	2,715.74
Cash and Cash Equivalent	0.08	5.52
<b>Net exposure for assets</b>	<b>37.02</b>	<b>2,721.27</b>
<b>Financial liabilities</b>		
Advance from Debtors	-	-
Trade Payable	2.29	168.38
Foreign Currency Borrowings (Including Current Maturities)	-	-
<b>Net exposure for liabilities</b>	<b>2.29</b>	<b>168.38</b>
<b>Net exposure (Assets - Liabilities)</b>	<b>34.73</b>	<b>2,552.88</b>
<b>31st March 2020</b>	<b>USD</b>	<b>INR</b>
<b>Financial assets</b>		
Trade receivables	50.29	3,790.81
Cash and Cash Equivalent	0.70	52.83
<b>Net exposure for assets</b>	<b>50.99</b>	<b>3,843.63</b>
<b>Financial liabilities</b>		
Advance from Debtors	1.08	81.42
Trade Payable	18.55	1,398.73
Foreign Currency Borrowings (Including Current Maturities)	41.50	3,128.51
<b>Net exposure for liabilities</b>	<b>61.13</b>	<b>4,608.66</b>
<b>Net exposure (Assets - Liabilities)</b>	<b>(10.15)</b>	<b>(765.04)</b>



### Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
<b>For the year ended 31st March, 2021</b>		
<b>5% movement</b>		
USD	(127.64)	127.64
	<b>(127.64)</b>	<b>127.64</b>

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
<b>For the year ended 31st March, 2020</b>		
<b>5% movement</b>		
USD	(38.25)	38.25
	<b>(38.25)</b>	<b>38.25</b>

### (b) Particulars of hedged and unhedged foreign currency exposures as at the reporting date

As at 31st March 2021	(Foreign Currency in lacs)	
Particulars	USD	INR
Trade receivables	36.95	2,715.74
Cash and Cash Equivalent	0.08	5.52
Less : Foreign currency forward contracts (Sell)	-	-
<b>Unhedged Receivable</b>	<b>37.02</b>	<b>2,721.27</b>
Advance from Debtors	-	-
Trade Payable	2.29	168.38
Foreign Currency Borrowings (Including Current Maturities)	-	-
Less : Foreign currency forward contracts (Buy)	-	-
<b>Unhedged Payable</b>	<b>2.29</b>	<b>168.38</b>



(₹ In Lacs)

As at 31st March 2020

(Foreign Currency in lacs)

Particulars	USD	INR
Trade Receivables	50.29	3,790.81
Cash and Cash Equivalent	0.70	52.83
Less : Foreign currency forward contracts (Sell)	9.73	733.31
<b>Unhedged Receivable</b>	<b>41.26</b>	<b>3,110.33</b>
Advance from Debtors	1.08	81.42
Trade Payable	18.55	1,398.73
Foreign Currency Borrowings (Including Current Maturities)	41.50	3,128.51
Less : Foreign currency forward contracts (Buy)	-	-
<b>Unhedged Payable</b>	<b>61.13</b>	<b>4,608.66</b>

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

**Exposure to interest rate risk**

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows.

(₹ In Lacs)

Particulars	As at 31.03.2021	As at 31.03.2020
Borrowing bearing variable interest rate	-	3,129.75
<b>Total of Variable Rate Financial Liabilities</b>	<b>-</b>	<b>3,129.75</b>

**Cash flow sensitivity analysis for variable-rate instruments**

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

(₹ In Lacs)

Cash flow sensitivity (net)	Profit or loss	
INR	50 bp increase	50 bp decrease
<b>31st March 2021</b>		
Variable-rate loan instruments	-	-
<b>Cash flow sensitivity (net)</b>	<b>-</b>	<b>-</b>
<b>31st March 2020</b>		
Variable-rate loan instruments	(15.65)	15.65
<b>Cash flow sensitivity (net)</b>	<b>(15.65)</b>	<b>15.65</b>



### Other price risk

The Company invests its surplus funds in various Equity and debt instruments . These comprise of mainly liquid schemes of mutual funds (liquid investments), Equity shares, Debentures and fixed deposits. This investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

### Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities :

#### Maturity Analysis of Significant Financial Liabilities (₹ In Lacs)

31st March 2021	Total	Upto 1 year	1-5 years	More than 5 years
Current Borrowings	-	-	-	-
Trade and other payables	1,005.81	1,005.81	-	-
Other Financial Liabilities (Current & Non Current)	575.32	575.32	-	-
Lease Liability	-	-	-	-

31st March 2020	Total	Upto 1 year	1-5 years	More than 5 years
Current Borrowings	3,129.75	3,129.75	-	-
Trade and other payables	2,183.43	-	-	-
Other Financial Liabilities (Current & Non Current)	203.12	203.12	-	-
Lease Liability	17.04	17.04	-	-

### Note 37 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.



The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total capital plus total debt.

Particulars	(₹ In Lacs)	
	As at 31.03.2021	As at 31.03.2020
Total Debt	-	3,129.75
Total Equity	13,085.01	10,346.27
<b>Total debt to equity ratio (Gearing ratio)</b>	<b>-</b>	<b>0.30</b>

#### Note 38 : COVID -19 Impact

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of investments, inventories and receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company.

The management believes that the business will rebound as soon as lockdown are fully lifted domestic as well as worldwide and does not foresee any incremental risk towards recoverability of its assets, however, Management believes that at this point it is difficult to assess the future since partial lockdown continuous to be effective in many parts across the worldwide.

As per our report of even date attached

**Chaturvedi Sohan & Co**  
Chartered Accountants  
Firm Registration No : 118424W

For and on behalf of the Board

**Vivekanand Chaturvedi**  
Partner  
Membership No. 106403

**Omprakash Garg**  
Chairman & Managing Director  
DIN No. : 00140756  
Place : Ohio, USA

**Pradeep Kumar Jain**  
Independent Director  
DIN No. : 01852819  
Place : Mumbai

Place: Mumbai  
Date : 3rd June, 2021

**Narendra M. Joshi**  
Chief Financial Officer  
Place : Nashik

**Saurabh V. Karmase**  
Company Secretary  
Place : Mumbai

# GOOD HYGIENE IS IN YOUR HANDS

Wash your hands thoroughly with soap and water at least 20 seconds to prevent passing on germs.  
Dry your hands.

HELP  
**STOP** THE  
**SPREAD**  
AND STAY HEALTHY



CUPID

*We Help The World Play Safe*

### **Factory & Registered Office Address**

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