



CE 0470



CUPID LIMITED



We help the world play safe....



17th ANNUAL REPORT 2009 - 2010

BOARD OF DIRECTORS	:	Mr. Omprakash Chhangamal Garg Non Executive Chairman
		Mr. Durgesh Garg Executive Director
		Mr. Anup Prakash Garg Independent & Non Executive Director
		Mr. Raju Subba Sagi Independent & Non Executive Director
		Mr. Pradeep Jain Non Executive Director
AUDITORS	:	M/s. Bhatler & Company Chartered Accountants Mumbai.
LEGAL ADVISOR	:	Singhania & Co., LLP Solicitors & Advocates Mumbai.
SECRETARIAL AUDITORS	:	Mr. Shailesh Kachalia Practicing Company Secretary Mumbai.
BANKERS	:	ING Vysya Bank Limited HDFC Bank Limited State Bank of India
FACTORY ADDRESS	:	A-68, M.I.D.C., Sinnar Village, Malegaon, Dist. Nashik- 422 113, Maharashtra (India).
REGISTERED AND CORPORATE OFFICE	:	103, Sona Chambers, 507/509, J. S. S. Road, Mumbai – 400 002, Maharashtra (India).
REGISTRARS & SHARE TRANSFER AGENTS	:	Bigshare Services (P) Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri(East), Mumbai – 400 072.



NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the shareholders of Cupid Limited will be held on Thursday, 30th September, 2010 at 103, Sona Chambers, 507/509, J.S.S. Road, Chira Bazar, Mumbai - 400 002 at 10.00 a.m. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2010 and the Profit & Loss Account of the Company for the year ended on that Date and Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Raju Subbha Sagi who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Pradeep Jain who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

Special Business

5. To consider and if thought fit to pass with or without any modifications the following resolution as Special resolution

“RESOLVED THAT pursuant to the provisions of sections 198, 268, 269, 310, 311 and Schedule XIII of the Companies Act, 1956 the appointment of Mr. Durgesh Garg as Executive Director of the Company from 1st October, 2009 to 30th September, 2014 be and is hereby ratified on the following terms and conditions.

- a) Monthly salary of Rs. 35,000/- per month.
- b) Contribution to provident fund, superannuation fund or annuity funds to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.
- c) Gratuity payable at a rate not exceeding half month salary for each completed year of service.
- d) Encashment of leave as per company rule.
- e) Reimbursement of Medical Expenses for the personal & dependants as per company rule but not exceeding one monthly salary payable.
- f) Leave Traveling Allowance as per Company rule.
- g) Ex – gratia / Bonus not exceeding as per company rule but not exceeding one month salary payable.

“RESOLVED FURTHER THAT wherein any financial year during the tenure of Mr. Durgesh Garg as Executive Director, the company has no profits or its profits are inadequate, the Company shall pay minimum remuneration to Mr. Durgesh Garg by way of consolidated monthly salary not exceeding the ceiling limit of Rs 4.20 Lacs per annum or Rs. 35,000 per month, or within such ceiling limits as may be prescribed under Schedule XIII to the Act from time to time. The said ceiling limit of minimum remuneration does not include the above mentioned perquisites in the computation of the ceiling of minimum remuneration.

For and on behalf of the Board of the Directors

Omprakash Garg
Chairman

REGISTERED OFFICE

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

Place : Mumbai

Date : 25th August, 2010



Notes for Members Attention

1. **A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.**

Proxies in order to be effective must be received at the Registered Office of the Company at least 48 hours before the meeting. Proxies submitted on behalf of Limited Companies, Societies, Partnership firm, etc. must be supported by appropriate resolution / authority, as applicable, issued on behalf of the nominating organization.

2. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday 23rd September, 2010 to Thursday 30th September, 2010, both the days inclusive.
3. Members can avail facilities of nomination in respect of shares held by them and may send their Nomination form duly filled in to the Company.
4. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their address, nomination, mandate, and other related to their Depository Participant (DP), where they hold their demat account.
5. Members holding the shares in physical form should intimate any change in their address, nominate, mandate and others be informed to the Companies Registrars and Shares transfer agent (i.e. Bigshare Services Private Ltd)
6. In all correspondence with the Company, members are requested to quote their for physical share the Folio No. and for the dematerialised form quote their DP ID and Client Id.
7. A copy of the explanatory statement under section 173 (2) of the Companies Act, 1956 is annexed herewith.



Explanatory statement pursuant to section 173(2) the Companies Act, 1956.

As required by Section 173(2) of the Companies Act, 1956, ("ACT") the following explanatory statements set out all material facts relating to the business mentioned under Item 5 of the in the Notice of the Annual General Meeting.

5. The Board of Directors appointed Mr. Durgesh Garg as Executive Director of the Company at their meeting held on 30th September, 2009 on the following terms and conditions for the period of five years w.e.f. 1st October, 2009.

- a) Monthly salary of Rs 35,000 per month.
- b) Contribution to provident fund, superannuation fund or annuity funds to the extent these, either singly or put together are not taxable under the Income Tax Act, 1961.
- c) Gratuity payable at a rate not exceeding half month salary for each completed year of service.
- d) Encashment of leave as per company rule.
- e) Reimbursement of Medical Expenses for the personal & dependants as per company rule but not exceeding one month salary payable.
- f) Leave Traveling Allowance as per Company rule
- g) Ex-Gratia / Bonus not exceeding as per company rule but not exceeding one month salary payable.
- h) **Minimum Remuneration:** Wherein any financial year during the tenure of Mr. Durgesh Garg as Executive Director, the company has no profits or its profits are inadequate, the Company shall pay minimum remuneration to Mr. Durgesh Garg by way of consolidated monthly salary not exceeding the ceiling limit of Rs. 4.20 Lacs per annum or Rs. 35,000 per month, or within such ceiling limits as may be prescribed under Schedule XIII to the Act from time to time. The said ceiling limit of minimum remuneration does not include the above mentioned perquisites

The Company has not entered into any Agreement with Executive Director. The office of the Executive Director is terminable by giving 3 months notice.

The appointment and payment of remuneration to Mr. Durgesh Garg as Executive Director of the Company is subject to the approval of the shareholders at the general meeting.

Details regarding the person proposed to be appointed as Directors and their brief resume have been given in the annexure attached to the notice.

Except the proposed appointee and Mr. Omprakash Garg being his relative no other Directors of the company are interested in the Resolution.

The above explanation be treated as Disclosure to Members an abstract of the terms and conditions of appointment and remuneration payable to Executive Director under the provisions of Section 302(2) of the Companies Act 1956.

The Board of Directors recommends to the Shareholders to accord their approval by way of passing Special Resolution.

For and on behalf of the Board of the Directors

Omprakash Garg
Chairman

Place : Mumbai
Date : 25th August, 2010



Details Of Directors Seeking Appointment at the Annual General Meeting

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

Name of Director	Mr. Raju Subbha Sagi	Mr. Pradeep Jain	Mr. Durgesh Garg
Date of Birth	10 th December, 1942	15 th September, 1974	08 th September, 1970
Qualification	M. Sc.	M. Sc. FCS, LL.B (Hon's)	M. Com
Date of Appointment	28 th February, 2009	28 th February, 2009	1 th October, 2009
Specific Experience	Having experience in Business Environment. Industrialist with wide Business experience for nearly 30 years	Having experience in Legal Consultancy and Practicing Lawyer in well known International firm.	Having experience in Business Environment. Industrialist with wide Business experience for more than 12 years.
Directorships held in other Public Companies	Nil	Nil	Nil
Membership/ Chairman of Other Public Companies (Includes only Audit and Shareholders / Investors Grievance Committee)	Nil	Nil	Nil



REPORT OF BOARD OF DIRECTORS

Your Directors herewith present the **Seventeenth Annual Report** on the business and operations of the company for the year ended 31st March, 2010.

Financial Results

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

PARTICULARS	(Amount in Lacs)	
	31st March, 2010	31st March, 2009
Turnover and Other Income	864.68	1,246.57
(Loss) / Profit before depreciation, finance charges and tax	(78.56)	(142.69)
Less: - Depreciation and finance charges	237.55	242.39
(Loss) / Profit before tax	(316.11)	(385.08)
Less: - Provision for Current year Income tax	NIL	NIL
Less: - Provision for Current year FBT	NIL	1.80
Add / (Less) - Provision for Deferred tax	121.71	115.09
Net (Loss) / Profit after Tax	(194.41)	(271.78)
Balance brought forward from previous year	422.55	694.33
Balance Carried forward to Balance sheet	228.15	422.55

Operations

The year under report ended with a loss of Rs.194.41 Lacs against Loss of Rs. 271.78 Lacs. In terms of turnover, your company achieved a turnover of Rs. 864.68 Lacs as against to Rs. 1,246.57 Lacs in the previous year. The Loss of Rs. 194.41 Lacs is after absorbing interest cost of Rs. 98.21 Lacs (previous year at Rs. 102.55 Lacs) and depreciation of Rs. 139.32 Lacs (previous year at Rs. 137.82 Lacs) and Provision of Deferred Tax Assets of Rs. 121.71 Lacs (previous year at Rs. 115.09 Lacs).

Loss during the year is due to increased capacity could not be utilised due to nonreceipt of Government order, slow down in global economy and stiff competition in the international market. Therefore performance during the year was not satisfactory.

Finance

The Company has raised fund by issue of securities which has been used to meet the requirement of working capital. Term Loan liability with Bank were restructured with a moratorium for repayment of installment upto March, 2010 in view of losses incurred by company and its negative cash flows.



Conversion of Warrant and Issue of New Convertible Warrants

During the year 5,92,600 convertible warrants issued to promoter were converted into 5,92,600 equity shares of Rs. 10 each @ Rs.16.50 per equity shares including premium of Rs 6.50 per share on 29th March, 2010.

The Management further realised the need to raise long term funds due to loss incurred in last two consecutive years to meet working capital needs. Therefore 11,50,000 convertible warrants were issued at Rs. 10.50 to be converted to equal number of Equity Shares of Rs. 10 each at a premium of Rs. 0.50 per shares to the promoters. The approval for allotment of warrants was accorded by shareholders of Company at the EGM held on 5th June, 2010.

Research and Development Recognition for developing Female Condoms

The Company has set up state of art Research and Development facilities for developing the female condom. In this process your Company has already got registration certificate from Government of India-Ministry of Science & Technology, Department of Scientific & Industrial Research New Delhi. The Company is confident of launching of female condom commercially in the current financial year.

Future Prospects

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

The performance of financial year 2009 – 2010 was adversely affected due to non -receipt of Government order, slow down in global economy and stiff competition of price. The global economy has started showing signs of improvement, stable Government placed in our country and Government's continuous efforts to control birth, prevention of HIV and other sexually transmitted diseases. This will help to improve the company's performance in future.

Your Company also making all its efforts to source the orders for male & female condom from Domestic and International Market for capacity utilisation.

Quality and Systematic Organisation flow Initiatives

Company is regularly reinforcing commitments to High Standards of quality products and Systematic Organisation flow as recommended by programs of the ISO 9001:2008, ISO 13485 : 2003, WHO – GMP Certification, USFDA and CE 0407 approvals. Certification leading to a prospective growth in Quality & Quantity of Company products and services.

Dividend

In view of Losses incurred by your Company, the Board do not recommend payment of any dividend for the year 2009 - 2010.



Directors

Mr. Raju Subbha Sagi and Mr. Pradeep Jain retires by rotation but being eligible offer themselves for re-appointment.

The Board of Directors also appointed Mr. Durgesh Garg as Executive Director of the Company for the period of five year at their meeting held on 30th September, 2009 on the terms and conditions mentioned at item No.5 of notice of meeting. The shareholders are requested to ratify his appointment as Executive Director of the Company.

During the year under review Mr. Sureshchand Garg, Mr. Sachin Prasad and Mr. Pawan Bansal resigned as Directors of the Company.

Employees

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

Conservation Of Energy, Technology absorption, Innovation & Adaptation

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

The Company has deployed Indigenous technology to manufacture 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 Earning & Outgo

The Company has earned foreign exchange of Rs. 110.25 Lacs (Previous year Rs. 96.40 Lacs) through exports, where as the Company spent foreign exchange of Rs. 0.74 Lacs (Previous Year Rs. 135.52 Lacs (Including Import of Plant & Machinery)) towards commission, professional fees and Documents charges.

Fixed Deposit

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

Auditors

M/s Bhattar & Company, Chartered Accountants, Mumbai, who is the statutory auditors of the Company, in accordance to the provision of Companies Act, 1956 upto the conclusion of forthcoming Annual General Meeting and are eligible for re-appointment.

Insurance

Adequate Insurance Cover has been taken for the major assets of the Company including Buildings, Plant & Machinery and Stocks

Subsidiary

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



Directors' Responsibility Statement

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

- i) In the preparation of the Annual Accounts for the year 2009 - 2010, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures.
- ii) We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for the financial year.
- iii) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and control for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) We have prepared the annual accounts on a going concern basis.

Auditors Report

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

Report on Corporate Governance, Management Discussion and Analysis

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

Appreciation

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

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

For and on behalf of the Board of the Directors

Omprakash Garg

Chairman

Place : Mumbai

Date : 25th August, 2010



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This discussion contains forward-looking statements, the performance of the Company for the year 2009 – 2010 and an outlook for the future. The report conveys expectations of future performance based on an assessment of current business environment. This could vary based on future developments. The following discussion and analysis should be read in connection with our audited financial statements prepared in accordance with the generally accepted accounting principles.

Industry Structure and Developments

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

Opportunities and Threats

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

Outlook

The Indian condom market is highly fragmented – there are over 200 condom brands, most of them are regional. Assuming an industrial growth of 5 to 7% will absorb company's entire production capacity. The Company is also penetrating new market in the International and Domestic front.

Risks and Concerns

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

Internal Control Systems

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

Financial Results

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

Particulars	31st March, 2010	(Amount in Lacs)
		31st March, 2009
Turnover and Other Income	864.68	1,246.57
(Less) / Profit before depreciation, finance charges and tax	(78.56)	(142.69)
Less: - Depreciation and finance charges	237.55	242.39
(Loss) / Profit before tax	(316.11)	(385.08)
Less: - Provision for Current year FBT	NIL	1.80
Less: - Provision for Deferred tax	121.71	115.09
Net (Loss) / Profit after Tax	(194.41)	(271.78)
Balance brought forward from previous year	422.55	694.33
Balance Carried forward to Balance sheet	228.15	422.55

Human Resources and Industrial Relations

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



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Cupid Limited,

We have examined the compliance of conditions of corporate governance by Cupid Limited ("the Company") for the year ended 31st March, 2010 as stipulated in clause 49 of the Listing Agreement.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned listing agreement.

We state that in respect of investors' grievances received during the year ended 31st March, 2010 based on the information received from the Company and presented to the Shareholder's/Investors' Grievances Committee, there are no investor grievances pending against the Company for more than 30 days.

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

For BHATTER & COMPANY
Chartered Accountants

DAULAL H. BHATTER
Proprietor
(Membership No. 16937)

Place : Mumbai
Date : 25th August, 2010



REPORT ON CORPORATE GOVERNANCE

The Company's policies on the Corporate Governance and due compliance report on specific areas wherever applicable for the year ended 31st March, 2010 are given hereunder divided into the following areas.

A. Company's Philosophy on Corporate Governance

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

B. Board of Directors

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

Name	Category	Attendance at board Meeting in year 2008-09		Directorships in other public Companies		Committee Position held in other public Companies		Attendance at Last AGM
		Held	Attended	Chairman	Member	Chairman	Member	
<i>Omprakash Garg</i>	<i>Chairman Non-Executive</i>	7	2	NIL	NIL	NIL	NIL	Absent
<i>Durgesh Garg # #</i>	<i>Executive Director</i>	3	3	NIL	NIL	NIL	NIL	N. A.
<i>Pawan Bansal *</i>	<i>Executive Director</i>	1	1	NIL	NIL	NIL	NIL	N. A.
<i>Sureshchand Garg #</i>	<i>Non-Executive Director</i>	4	4	NIL	NIL	NIL	NIL	Present
<i>Anup Prakash Garg</i>	<i>Independent Director, Non-Executive</i>	7	6	NIL	1	NIL	1	Present
<i>Sachin Prasad *</i>	<i>Independent Director, Non-Executive</i>	1	1	NIL	NIL	NIL	NIL	N. A.
<i>Raju Sagi</i>	<i>Independent Director, Non-Executive</i>	7	6	NIL	NIL	NIL	NIL	Present
<i>Pradeep Jain</i>	<i>Non-Executive Director</i>	7	7	NIL	NIL	NIL	NIL	Present

* Resigned w.e.f. : 30th April, 2009

Resigned w.e.f.: 1th October, 2009

Appointed w.e.f. : 1th October, 2009



b) Board Procedures

Seven board meetings were held during the year on the following dates : 30th April 2009, 31st July 2009, 17th August 2009, 30th September 2009, 30th October 2009, 29th January 2010 and 29th March 2010.

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

c) Management

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

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

C. Audit Committee:

Audit Committee was re-constituted as required by Clause 49 of the Listing Agreement was on 30th September, 2009 comprising the following Members:

Mr. Anup Prakash Garg	Chairman & Non-Executive Director
Mr. Raju Subba Sagi	Independent & Non-Executive Director
Mr. Durgesh Garg	Executive Director

Name	Category	No of Meeting for year 09 – 10	
		Held	Attended
Mr. Anup Prakash Garg	Chairman & Non-Executive Director	7	6
Mr. Raju Subba Sagi	Independent & Non-Executive Director	7	6
Mr. Durgesh Garg *	Executive Director	3	3
Mr. Pradeep Jain #	Non-Executive Director	2	2
Mr. Suresh Chand Garg ##	Non-Executive Director	1	1

** Mr. Durgesh Garg appointed as Executive Director of the Company w.e.f. 1st October 2009 # Mr. Pradeep Jain appointed as member of Audit Committee w.e.f. 17th August 2009 and he ceased to be a member of the Audit Committee w.e.f. 30th September 2009. ## Mr. Suresh Chand Garg appointed as member of Audit Committee w.e.f. 17th August 2009 and he resigned as Director of the Company w.e.f. 1st October 2009*

Mr. Anup Prakash Garg Chairman of the Audit Committee was present at the 16th Annual General Meeting of the Company held on 30th September, 2009 to answer the shareholders queries.

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



D. Remuneration Committee.

Remuneration Committee was re-constituted as required by Clause 49 of the Listing Agreement was on 30th September, 2009 comprising the following Members:

Mr. Anup Prakash Garg	Chairman & Non-Executive Director
Mr. Raju Subba Sagi	Independent & Non-Executive Director
Mr. Durgesh Garg	Executive Director

The Company paid Rs. 1,82,589 (One lacs and Eighty-two thousand five hundred and Eighty-nine only) as net remuneration to Mr. Durgesh Garg Executive Director of the Company for the year 2009 - 2010.

Meeting of the Remuneration Committee was held in the year 2009 – 2010 wherein the Committee Members took the decision on the remuneration and other related matters of the Company. The Company paid sitting fees and reimburses out pocket expenses incurred by Directors of the Company after review of same by Committee Members.

E. Shareholders / Investors Grievance Committee

Shareholders / Investors Grievance Committee was re-constituted as required by Clause 49 of the Listing Agreement was on 30th September, 2009 comprising the following Members:

Mr. Anup Prakash Garg	Chairman & Non-Executive Director
Mr. Raju Subba Sagi	Independent & Non-Executive Director
Mr. Durgesh Garg	Executive Director

Name	Category	No of Meeting for year 09 – 10	
		Held	Attended
Mr. Anup Prakash Garg	Chairman & Non-Executive Director	7	6
Mr. Raju Subba Sagi	Independent & Non-Executive Director	7	6
Mr. Durgesh Garg *	Executive Director	3	3
Mr. Pradeep Jain #	Non-Executive Director	2	2
Mr. Suresh Chand Garg # #	Non-Executive Director	1	1

* Mr. Durgesh Garg appointed as Executive Director of the Company w.e.f. 1st October 2009 # Mr. Pradeep Jain appointed as member of Audit Committee w.e.f. 17th August 2009 and he ceased to be a member of the Audit Committee w.e.f. 30th September 2009. ## Mr. Suresh Chand Garg appointed as member of Audit Committee w.e.f. 17th August 2009 and he resigned as Director of the Company w.e.f. 1st October 2009

a) Procedure of the committee

Mr. Anup Prakash Garg, Independent & Non - Executive Director of the company is heading the Committee.

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

b) Listing Fees

The Company has paid the annual listing fees for the year 2010 – 2011 to Bombay Stock Exchange Limited (BSE).



c) Shareholders Complaints for year 2009 - 2010

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

F. General Body Meetings:

Location and time of last three AGMs held :-

Date of AGM	Time of AGM	Location
September 29, 2007	10.30 A.M.	The Silk Merchants Association Hall, 1 st Floor, Dahanukar Building, 480, Kalbadevi Road, Mumbai: 400 002
September 30, 2008	10.30 A.M.	103, Sona Chamber, 507/509, J. S. S. Road, Mumbai - 400 002
September 30, 2009	10.15 A.M.	103, Sona Chamber, 507/509, J.S.S. Road, Mumbai-400002

G. Related Party Disclosures

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

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

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

H. Disclosures of Accounting treatment

Disclosure of accounting treatment wherever applicable has been made in the Audited Financial Accounts for the year ended 31st March, 2010

I. Board Disclosures – Risk Management

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



J. Statutory Compliance

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

K. Means of Communication

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

L. Code of Conduct

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

M. CEO / CFO Certification

The Company is duly placing a certificate to the Board from the Chairman in accordance with the Clause 49 (v) of the Listing Agreement pertaining. The aforesaid certificate duly signed by the Chairman in respect of financial year ended 31st March, 2010 has been placed before the Board in the meeting held on 25th August, 2010.

N. The Company has implemented Whistle Blower Policy

O. General Shareholder Information

1. Annual General Meeting to be held

Date 30th September, 2010

Time 10.15 a.m.

Venue 103, Sona Chambers, 507 / 509, J.S.S. Road,
Chira Bazar, Mumbai – 400 002.

2. Financial Calendar for the financial year 2010 – 2011 (tentative)

Financial reporting for the quarter ending June 2010 After 20th July, 2010.

Financial reporting for the quarter ending September 2010 After 20th October, 2010.

Financial reporting for the quarter ending December 2010 After 20th January, 2011.

Financial reporting for the quarter ending March 2011 After 20th April, 2011.

3. Date of Book Closure

23rd September, 2010 to 30th September, 2010
(both the days inclusive)

4. Dividend Payment Date

Not Applicable.

5. Registered & Corporate Office and Correspondence Address

103, Sona Chamber,
507/509, J.S.S. Road, Mumbai 400 002.
Phone – 22037633

6. Listing on Stock Exchanges

Bombay Stock Exchange Limited (BSE)

7. Stock Code of BSE

530843

8. International Securities Identification Numbers (ISIN) / Demat

INE509F01011



9. i) Shares held in Physical / Electronic form as on 31st March, 2010

Particulars	Holders	% of Holders	Shares	% of shares
Shares in Electronic form	3,160	90.18	61,81,385	73.02
Shares in Physical form	344	9.82	22,83,615	26.98
Total	3,504	100.00	84,65,000	100.00

ii) Distribution of share holding as on 31st March, 2010

No. of Equity Shares held	No. of Holders	% of Holders	No. of shares	% of Shares
Upto 500	2,379	67.89	5,82,903	6.89
501 – 1000	571	16.30	4,91,937	5.81
1001 – 2000	260	7.42	4,18,921	4.95
2001 – 3000	104	2.97	2,64,404	3.12
3001 – 4000	36	1.03	1,28,205	1.51
4001 – 5000	42	1.20	2,00,917	2.37
5001 – 10000	53	1.51	4,06,005	4.80
10001 and above	59	1.68	59,71,708	70.55
Total	3,504	100.00	84,65,000	100.00

iii) Shares holding Pattern as on 31st March, 2010

Category	No. of Holders	No. of shares	% of shares
Promoters & Promoter's Group	7	31,25,300	36.92
Mutual Funds	2	3,500	0.04
Bodies Corporate	144	11,63,272	13.74
NRI / OCBs	51	10,65,609	12.59
Indian Public	3,296	31,05,519	36.69
Others (Clearing Members)	4	1,800	0.02
Total	3,504	84,65,000	100.00

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

Month	CUPID LIMITED				BSE SENSEX	
	High Price (Rs.)	Low Price (Rs.)	Wt. Price (Rs)	Volume	High	Low
Apr – 2009	7.18	4.30	6.28	53,859	11,492.10	9,545.29
May – 2009	9.06	5.01	6.99	93,493	14,930.54	11,621.30
Jun – 2009	10.65	6.52	9.07	182,314	15,600.30	14,016.95
Jul – 2009	9.00	7.06	7.72	54,360	15,732.81	13,219.99
Aug – 2009	9.60	7.64	9.07	256,014	16,002.46	14,684.45
Sep – 2009	10.70	8.46	9.55	193,853	17,142.52	15,356.72
Oct – 2009	9.30	7.70	8.57	34,528	17,493.17	15,805.20
Nov – 2009	9.30	7.02	8.53	86,978	17,290.48	15,330.56
Dec – 2009	10.99	8.35	9.47	91,110	17,530.94	16,577.78
Jan – 2010	11.79	9.65	10.61	231,222	17,790.33	15,982.08
Feb – 2010	10.94	8.10	9.36	35,105	16,669.25	15,651.99
Mar – 2010	10.40	7.80	8.64	102,172	17,793.01	16,438.45



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

11. Dematerialisation of shares and liquidity

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

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

The Company has not issued any GDR / ADR etc during the year. However the Company has received full consideration of 5,92,800 convertible warrants and same were converted into 5,92,800 equity shares of Rs 10 each fully paid-up at a premium of Rs 6.50 per shares.

P. Management Discussion and Analysis

The Company has a Non executive Chairman and reimburses expenses incurred by him in performance of his duties.

Q. Chairman of the Board

The Company has a Non executive Chairman and reimburses expenses incurred by him in performance of his duties.

R. Remuneration Committee

The Company has constituted remuneration committee.

S. Shareholders Rights

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

T. Postal Ballot

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

For and on behalf of the Board of the Directors

OMPRAKASH GARG
Chairman

DURGESH GARG
Director

Place : Mumbai

Date : 25th August, 2010



AUDITOR'S REPORT TO THE MEMBERS

1. We have audited the attached Balance Sheet of CUPID LIMITED, ("the Company"), as at 31st March, 2010, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order, to the extent applicable to the company.
4. Further to our comments in the Annexure referred to in paragraph 3 above.
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by the law have been kept by the Company so far as appears from our examination of the books.
 - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in subsection 3(c) of Section 211 of the Companies Act, 1956 and are in agreement with the books of accounts of the Company.
 - d. On the basis of written representation from the Directors, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2010 from being appointed as a director under Section 274 (1)(g) of the Companies Act, 1956.
 - e. In our opinion and to the best of our information and according to the explanations given to us, subject to note **on accounts no 2 (A)** relating to contingent liability the said financial statements read together with the notes thereon and give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010.
 - ii) in the case of the Profit and Loss Account of the Loss of the Company for the year ended on that date.
 - iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

FOR BHATTER & COMPANY
Chartered Accountants

DAULAL H. BHATTER
Proprietor
(Membership No.16937)

Place : Mumbai
Dated : 25th August, 2010



ANNEXURE TO THE AUDITOR'S REPORT

Statement referred to in paragraph 3 of the Auditors Report of even date to the Members of Cupid Limited on the accounts for the year ended 31st March, 2010.

We report as under:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
- (b) As per the information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification of its fixed assets adopted by the Company and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.
- (c) During the year the Company has not disposed off any substantial/major part of fixed assets.
- (ii) (a) As per the information furnished, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. In our opinion, discrepancies noticed on physical verification of stocks were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) (a) As per the information furnished, the Company has taken interest free loans from four parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 24.92 Lacs and year end balance of loan taken from such parties was Rs. 24.76 Lacs. The terms and condition on which loans have been taken are not, prima facie, prejudicial to the interest of company. We have been further informed that no repayment terms have been stipulated. The company has not granted any loans to the parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) (a) As per our opinion proper register in pursuance to section 301 of the Act is maintained by the Company.
- (b) In our opinion and according to the information and explanations given to us in respect of transactions with the parties covered by Section 301 of the Companies Act 1956, with



whom transactions exceeding value of Rs 5 Lakhs have been entered into during the financial year, are at the prices which are reasonable having regard to the prevailing market prices at the relevant time except in case of some transactions where alternate source of supply did not exist and therefore there were no such transactions that need to be entered into a register in pursuance of section 301 of the Act, the Clause (v) (b) of the Order is not applicable. whom transactions exceeding value of Rs 5 Lakhs have been entered into during the financial year, are at the prices which are reasonable having regard to the prevailing market prices at the relevant time except in case of some transactions where alternate source of supply did not exist and therefore there were no such transactions that need to be entered into a register in pursuance of section 301 of the Act, the Clause (v) (b) of the Order is not applicable.

- (vi) The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
- (viii) To the best of our knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any product of the Company.
- (ix) (a) According to the information and explanation given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable..
(b) According to the records of the Company, there are no dues of sales tax, income-tax, customs, wealth-tax, excise duty, cess which have not been deposited on account of any disputes.
- (x) The Company does not have any accumulated losses as at the end of the financial year. However The Company has incurred cash losses during the current financial year. The company had also incurred cash losses of Rs 176.79 Lacs in the immediately preceding financial year.
- (xi) Based on our examination of the Books of accounts and related records and according to the information and explanations given to us, we are of the opinion the Company has not defaulted in repayment of dues to Banks as per restructuring Plan approved by lender.
- (xii) Based on our examination of the records and that information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.



- (xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a Chit Fund Company or nidhi/mutual benefit fund/society.
- (xiv) In respect of shares, securities, debentures or other investments dealt in or traded by the Company, proper records are maintained in respect of transactions and contracts and timely entries have been made therein.
- (xv) According to the information and explanations given to us, the Company has not provided guarantees for loans taken by others from banks and financial institutions.
- (xvi) Based on our examination of the records and the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance sheet of the Company we report that no funds raised on short term basis have been used for long term assets. No long term funds have been used to finance short term assets and hence the question of commenting of their utilization does not arise.
- (xviii) According to the information and explanations given to us, the company has, during the year, made preferential allotment of shares to companies, firms or parties covered in the register maintained under section 301 of the Companies Act 1956. The price at which such shares were allotted, was not prejudicial to the interest of the Company at that particular point of time.
- (xix) The Company has not issued any debenture during the year. Therefore the provisions of clauses 4 (xix) of the Order, are not applicable to the Company.
- (xx) The Company has not raised any money by public issues during the year covered by our audit report.
- (xxi) As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

FOR BHATTER & COMPANY
Chartered Accountants

DAULAL H. BHATTER
Proprietor
(Membership No. : 16937)

Place : Mumbai
Date : 25th August, 2010



Balance Sheet as at 31st March, 2010

Particulars	Schedule	(Amount in Rs) As At 31-Mar-2010	(Amount in Rs) As At 31-Mar-2009
I. SOURCE OF FUNDS			
1 SHAREHOLDERS' FUNDS			
Share Capital	A	84,650,000	79,703,460
Reserves and Surplus	B	55,515,105	71,105,373
2 LOAN FUNDS			
Secured Loans	C	69,313,172	78,286,283
Unsecured Loans	D	2,475,906	1,001,323
3 NET DEFERRED TAX (Ref Note 2G)			
		4,187,214	16,357,839
	TOTAL	216,141,397	246,454,278
II. APPLICATION OF FUNDS			
1 FIXED ASSETS			
Gross Block	E	298,286,018	297,679,656
LESS : Depreciation		107,841,984	93,909,926
Net Block		190,444,034	203,769,730
Net Block		190,444,034	203,769,730
2 INVESTMENTS			
	F	748,000	4,063,000
3 CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	G	19,934,906	20,882,611
Debtors	H	16,930,688	30,983,807
Cash And Bank Balances	I	1,474,834	2,794,768
Loans and Advances	J	19,004,732	17,983,838
		57,345,160	72,645,024
Less : Current Liabilities and Provisions	K	32,395,797	34,023,476
NET CURRENT ASSETS		24,949,363	38,621,548
	TOTAL	216,141,397	246,454,278
NOTES TO ACCOUNTS	R		

As per our Report of even date attached

For **BHATTER & COMPANY**
Chartered Accountants

DAULAL H. BHATTER
Proprietor
(Membership No. 16937)

For and on behalf of the Board of the Directors

OMPRAKASH GARG
Chairman

DURGESH GARG
Director

Place : Mumbai
Date : 25th August, 2010



Cupid Limited

Profit and Loss Account for the year ended on 31st March, 2010

Particulars	Schedule	Year Ended on 31-Mar-2010 (Amount in Rs)	Year Ended on 31-Mar-2009 (Amount in Rs)
1 INCOME			
Sales		84,966,729	123,603,222
Other Income	L	1,500,899	1,054,195
Stock Differential		1,424,109	3,417,077
	TOTAL	87,891,737	128,074,494
2 EXPENDITURE			
Cost of Material Consumed	M	52,933,552	86,686,364
Manufacturing Expenses	N	15,979,819	21,764,183
Payment and Benefit to Employees	O	15,116,126	14,691,649
Administrative			
Selling and Other Expenses	P	9,450,546	14,821,265
Depreciation		13,932,058	13,782,225
Finance Charges	Q	9,822,633	10,456,621
	TOTAL	117,234,752	162,202,307
Less : Loss on Sale of Investments		2,268,478	4,379,920
Profit Before Tax		(31,611,493)	(38,507,733)
Provision for Taxation			
Less : Provision of Current Year FBT		-	180,000
Less : Provision of Income Tax		(12,170,625)	(11,509,535)
Profit After Tax		(19,440,868)	(27,178,198)
Balance brought forward from previous year		42,255,373	69,433,571
Balance carried forward to Balance Sheet		22,814,505	42,255,373
3 Earning per Share (EPS) in Rs			
Basic		(2.30)	(3.45)
Diluted		(2.30)	(3.21)
No. of Equity Shares Consider for the EPS			
Basic		8,465,400	7,872,600
Diluted		8,465,400	8,465,400

NOTES TO ACCOUNTS

R

As per our Report of even date attached

For BHATTER & COMPANY

Chartered Accountants

DAULAL H. BHATTER

Proprietor

(Membership No. 16937)

Place : Mumbai

Date : 25th August, 2010

For and on behalf of the Board of the Directors

OMPRAKASH GARG

Chairman

DURGESH GARG

Director



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2010

Particulars	Year Ending 31-Mar-2010 (Amount in Rs)	Year Ending 31-Mar-2009 (Amount in Rs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax	(31,611,493)	(38,507,733)
ADJUSTMENT FOR :		
Depreciation	13,932,058	13,782,225
Finance Charges	9,822,633	10,456,621
Loss on Sale on Fixed Assets	-	266,279
Short Term Investment Loss	2,268,478	4,468,700
Short Term Investment Profit	-	(88,780)
Credit Balance Written Back	(54,572)	(16,300)
Interest Income	(522,162)	(539,253)
Operating profit before working capital changes	(6,165,058)	(10,178,241)
CHANGES IN:		
Inventories	947,705	2,290,393
Debtors / Loans and Advances	13,342,144	(4,649,405)
Current Liabilities and Provision	(1,627,679)	17,167,389
Cash Generated From Operations	6,497,112	4,630,136
Taxes Paid / TDS	(59,368)	(108,277)
Net Cash from Operating Activities (A)	6,437,744	4,521,859
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(606,362)	(34,855,776)
Investment in Subsidiary Company	-	(98,000)
Purchase of Investments	(2,175,000)	(250,000)
Sale Proceeds from Fixed Assets	-	1,995,499
Sale Proceeds from Investment	3,025,543	1,613,080
Interest Income	522,162	539,253
Net Cash used in Investing Activities (B)	766,343	(31,055,944)
C CASH FLOW FROM FINANCING ACTIVITIES		
Received for Partly paid-up Warrants	8,797,140	977,460
Payment / (Repayment) of Long term Borrowing	(8,573,111)	21,058,458
Finance Charges	(9,822,633)	(10,456,621)
Payment / (Repayment) of Other Borrowing	1,074,583	1,001,323
Net Cash generated from Financing Activities (C)	(8,524,021)	12,580,620
NET CHANGE IN CASH & CASH EQUIVALENTS (A+B+C)	(1,319,934)	(13,953,465)
Opening Cash & Cash Equivalents	2,794,768	16,748,233
Closing Cash & Cash Equivalents	1,474,834	2,794,768

As per our Report of even date attached

For **BHATTER & COMPANY**

Chartered Accountants

DAULAL H. BHATTER

Proprietor

(Membership No. 16937)

Place : Mumbai

Date : 25th August, 2010

For and on behalf of the Board of the Directors

OMPRAKASH GARG

Chairman

DURGESH GARG

Director



Schedules Forming Part of Accounts for the year ending 31st March, 2010

PARTICULARS	As At 31Mar, 2010 (Amount in Rs)	As At 31 Mar, 2009 (Amount in Rs)
SCHEDULE 'A'		
SHARE CAPITAL		
Authorised		
10,000,000 (10,000,000) Equity Shares of Rs. 10 each	<u>100,000,000</u>	<u>100,000,000</u>
Issued, Subscribed & Paid-up Capital		
(i) Equity Share Capital		
8,465,000 (Previous Year 7,872,600) Equity Share of Rs. 10/- each fully Paid-up	84,650,000	78,726,000
(ii) Convertible Warrant into Equity Capital		
Allotment of NIL (Previous Year - 592400) Warrant @ Rs. 16.50 per warrant	-	977,460
	<u>84,650,000</u>	<u>79,703,460</u>
SCHEDULE 'B'		
RESERVES & SURPLUS		
Special Capital Incentive	3,000,000	3,000,000
Share Premium Account	29,700,600	25,850,000
Profit And Loss Account	<u>22,814,505</u>	<u>42,255,373</u>
	<u>55,515,105</u>	<u>71,105,373</u>
SCHEDULE 'C'		
SECURED LOANS		
Term Loans	43,348,312	51,642,315
Working Capital Assistance	<u>25,964,860</u>	<u>26,643,968</u>
	<u>69,313,172</u>	<u>78,286,283</u>
1)	Term loans are secured by a first charge on all the movable and immovable properties / current assets including all the Plant and Machinery, Land and Building of the Company, on both being it be present and further created by way of hypothecation.	
2)	Working Capital Assistance is secured by hypothecation stock of raw materials, WIP and finished goods and book debts	
3)	Additionally all above loans have been personally guranteed by Mr. Om Prakash Garg, Chairman and Mr. Durgesh Garg.	
SCHEDULE 'D'		
UNSECURED LOANS		
From Directors, their Relatives and Friends	2,475,906	1,001,232
	<u>2,475,906</u>	<u>1,001,323</u>



Schedules Forming Part of Accounts for the year ending 31st March, 2010

SCHEDULE 'E'

FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01-04-2009	Addition/ Adjustment During the year	Deletion/ Adjustment During the year	As at 31-03-2010	Upto 01-04-2009	For The Year	Depreciation Written Back	Upto 31-03-2010	As at 31-03-2010	As at 31-03-2009
Land & Site Development	1,644,000	-	-	1,644,000	-	-	-	-	1,644,000	1,644,000
Building	47,671,294	-	-	47,671,294	11,073,845	1,592,221	-	12,666,066	35,055,228	36,597,449
Plant & Machinery	173,563,903	-	-	173,563,903	68,446,466	8,244,285	-	76,690,751	96,873,152	105,117,437
Electricals	10,729,527	-	-	10,729,527	4,022,045	509,653	-	4,531,698	6,197,829	6,707,482
Indegenious Equipments	54,735,067	509,702	-	55,244,796	6,775,606	2,622,110	-	9,397,716	45,847,053	47,686,461
Computers	1,157,019	96,660	-	1,253,679	847,964	142,024	-	989,988	263,691	309,055
Computer Software	2,195,685	-	-	2,195,685	1,053,929	456,702	-	1,510,631	685,054	1,141,756
Air Conditioners	239,422	-	-	239,422	23,760	11,373	-	35,133	204,289	215,662
Office Equipment	102,379	-	-	102,379	49,797	6,671	-	56,468	45,911	52,582
Vehicle	637,953	-	-	637,953	22,727	30,303	-	53,030	584,923	615,226
Furniture & Fixtures	5,003,407	-	-	5,003,407	1,593,787	316,716	-	1,910,503	3,092,904	3,409,620
TOTAL	297,679,656	606,362	-	298,286,018	93,909,926	13,932,058	-	107,841,984	190,444,034	203,769,730
PREVIOUS YEAR	257,675,127	42,161,766	2,157,237	297,679,656	80,157,660	13,782,225	29,959	93,909,926	203,769,730	177,517,467



Schedules Forming Part of Accounts for the year ending 31st March, 2010

PARTICULARS	As At 31Mar, 2010 (Amount in Rs)	As At 31 Mar, 2009 (Amount in Rs)
<u>SCHEDULE 'F'</u>		
INVESTMENTS (UNQUOTED)		
<u>INVESTMENT IN SUBSIDIARY COMPANY</u>		
(I) 9,800 (Pre. Yr : NIL) Equity Shares of Rs 10 each in Cupid Medical Research Centre Pvt Ltd	98,000	98,000
SUB - TOTAL	98,000	98,000
<u>EQUITY SHARES</u>		
(I) NIL (Pre. Yr : 25,000) Equity Shares of Rs 10 each in KDS Consulting Pvt. Ltd.	-	250,000
(II) NIL (Pre. Yr : Nil) Equity Shares of Rs 10 each in Shri Sai Shakshi Hotels Pvt. Ltd.	650,000	-
(III) NIL (Pre. Yr : 50,000) Equity Shares of Rs 10 each in Sagar Wine Marketters Pvt Ltd	-	1,000,000
(IV) NIL (Pre. Yr : 24,300) Equity Shares of Rs 10 each in Rakshit Leasing & Finance Pvt Ltd	-	1,215,000
SUB - TOTAL	650,000	2,465,000
<u>MUTUL FUND</u>		
(I) NIL (Pre. Yr : 75,000) Units of Rs 10 each in ING OptiMix Equity - Growth Fund	-	750,000
(II) 75,000 (Pre. Yr : 75,000) Units of Rs 10 each in HDFC Infrastructure - Growth Fund	-	750,000
SUB - TOTAL	-	1,500,000
GRAND - TOTAL	748,000	4,063,000
<u>SCHEDULE 'G'</u>		
INVENTORIES		
(As Valued and Certified by Management)		
Raw Materials	1,951,883	2,346,520
Fuel	219,542	42,439
Packing Material	2,822,197	4,751,841
Stores & Consumables	347,815	572,451
Work in Progress	464,951	847,810
Finished Goods	12,905,408	11,098,440
Gold / Gold Jellewery	1,223,110	1,223,110
SUB - TOTAL	19,934,906	20,882,661



Cupid Limited

Schedules Forming Part of Accounts for the year ending 31st March, 2010

PARTICULARS	As At 31Mar, 2010 (Amount in Rs)	As At 31 Mar, 2009 (Amount in Rs)
SCHEDULE 'H'		
SUNDRY DEBTORS (Unsecured)		
Debts Considered good		
Outstanding for a period exceeding six months	1,580,540	-
Other Debts	15,350,148	30,983,807
	<u>16,930,688</u>	<u>30,983,807</u>
SCHEDULE 'I'		
CASH AND BANK BALANCES		
Cash in Hand	913,834	1,560,025
Balance with Scheduled Banks		
in Current accounts	209,227	1,048,008
in Deposit accounts	351,773	186,735
	<u>1,474,834</u>	<u>2,794,768</u>
SCHEDULE 'J'		
LOANS & ADVANCES		
Advance recoverable in cash or in kind or for the value to be received	4,631,895	5,458,541
Advance taxes paid	5,690,802	5,563,891
Advance to Suppliers	5,485,527	5,864,898
Sundry Deposits	3,196,508	1,096,508
	<u>19,004,732</u>	<u>17,983,838</u>
SCHEDULE 'K'		
CURRENT LIABILITIES AND PROVISIONS		
Sundry Creditors	23,234,825	24,355,668
Statutory Liabilities	318,686	578,807
Accrual for Expenses	1,826,281	2,465,536
Advances From Customers	2,265,426	1,872,885
Provisions for Taxes	4,750,579	4,750,579
	<u>32,395,797</u>	<u>34,023,476</u>
SCHEDULE 'L'		
OTHER INCOME		
DEPB Income	924,165	498,642
Interest Income	522,162	539,253
Credit Balance Written Back	54,572	16,300
	<u>1,500,899</u>	<u>1,054,195</u>



Schedules Forming Part of Accounts for the year ending 31st March, 2010

PARTICULARS	For Year Ended 31-Mar-2010 (Amount in Rs)	For Year Ended 31-Mar-2009 (Amount in Rs)
SCHEDULE 'M'		
MATERIALS CONSUMED		
1. Raw Material Consumed		
Opening Stock	2,346,520	4,488,569
Add: Purchases	31,864,391	44,163,606
	<u>34,210,911</u>	<u>48,652,175</u>
Less: Closing Stock	1,951,883	2,346,520
	32,259,028	46,305,655
2. Furance Oil		
Opening Stock	42,439	300,616
Add: Purchases	297,886	320,656
	<u>340,325</u>	<u>621,272</u>
Less: Closing Stock	219,542	42,439
	120,783	578,833
3. Packing Material		
Opening Stock	4,751,841	1,542,545
Add: Purchases	18,997,982	31,894,192
	<u>23,749,823</u>	<u>33,436,737</u>
Less: Closing Stock	2,822,197	4,751,841
	20,927,626	28,684,896
4. Stores and Consumables		
Opening Stock	572,451	721,410
Add: Purchases	2,492,735	5,620,212
	<u>3,065,186</u>	<u>6,341,622</u>
Less: Closing Stock	347,815	572,451
	2,717,371	5,769,171
5. Purchases of Condoms		
	-	375,000
6. Purchase of Gold / Gold Jewellery		
Opening Stock	1,233,110	7,590,691
Add: Purchases	-	1,330,320
	<u>1,233,110</u>	<u>8,921,011</u>
Less: Closing Stock	1,223,110	1,223,110
	-	7,697,901
7. Less: Refund of Taxes & Duties		
	3,091,256	2,725,092
TOTAL	<u>52,933,552</u>	<u>86,686,364</u>



Schedules Forming Part of Accounts for the year ending 31st March, 2010

PARTICULARS	For the Year Ended 31-Mar-2010 (Amount in Rs)	For the Year Ended 31-Mar-2009 (Amount in Rs)
SCHEDULE 'N'		
MANUFACTURING EXPENSES		
Power & Fuel	8,963,986	12,712,876
Water Charges	373,841	444,749
Clearing, Freight and Transportation	1,192,204	1,816,995
Packing and Material Handling Expenses	3,564,079	3,835,060
Testing & Inspection Charges	503,950	724,571
Repairs and Maintenance		
(i) Plant & Machinery	525,077	878,741
(ii) Factory Building	259,954	646,067
(iii) Others	596,728	705,124
TOTAL	15,979,819	21,764,183
SCHEDULE 'O'		
Payment to Employees & for the Benefit to Employees		
Salary, Wages & Bonus	13,464,700	12,753,240
Contribution to Funds	845,308	764,328
Workmen & Staff Welfare Expenses	806,118	1,174,081
TOTAL	15,116,126	14,691,649
SCHEDULE 'P'		
Administrative, Selling and Other Expenses		
Travelling and Conveyance	1,751,218	2,621,325
Rent, Rates, Taxes and Insurances	1,059,361	1,635,787
Printing and Stationary	314,624	580,298
Computer Maintenance and Software	84,302	154,478
Professional Charges	664,207	1,612,728
Audit Fees	37,000	37,000
Postage And Telephone	889,052	1,086,901
Security Charges	537,693	791,653
Advertisement	179,940	2,265,459
Loss on Sale of Fixed Assests	-	266,279
Clearing, Freight & Transportation	1,414,029	966,832
Bad Debts	-	76,100
Commission & Brokerage	90,967	824,211
Research and Development of Product	431,179	-
Selling & Distribution Expenses	431,271	648,246
Misc Expenses	1,565,721	1,253,968
TOTAL	9,450,564	14,821,265
SCHEDULE 'Q'		
FINANCE CHARGES		
Interest on Bank Loan	9,620,890	10,254,604
Bank Charges and Commission	201,743	202,017
TOTAL	9,822,633	10,456,621



Schedules Forming Part of Accounts for the year ending 31st March, 2010

SCHEDULE 'R'

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

A. Accounting convention:-

The financial statements are prepared on the accrual basis under the historical cost convention, in accordance with applicable Accounting Standards issued by the Institute of Chartered Accountants of India and provisions of the Companies Act, 1956.

B. Fixed assets and depreciation: -

Fixed assets are stated at original cost less accumulated depreciation. Original cost includes certain incidental costs related to acquisition and installation. Depreciation is provided on the straight-line method except computers where it is provided on WDV method, at the rates specified in schedule XIV to the Companies Act 1956. Depreciation on addition / deletion is calculated on pro- rata basis with reference to the month of addition/ deletion.

C. Investment:-

Investments are stated at cost of acquisition.

D. Valuation of Inventory:-

Consumables, stores and spare parts are valued at cost. Finished goods, raw materials, packing materials and work -in -process are valued at the lower of cost or net realisable value. Cost of finished goods and work -in -process includes an appropriate portion of manufacturing overheads.

E. Revenue:-

Revenue from sale of product is recognised when the products are dispatched against orders from customers in accordance with the contract terms. Sales are stated net of rebates and discounts.

F. Gratuity:-

The Company's liability towards gratuity of eligible employees is administered by Life Insurance Corporation of India under its Employees Group Gratuity Scheme and the annual premium paid by the Company in this regard is charged to the profit and loss account.

G. Foreign currency transaction:-

Foreign currency transactions are accounted at the actual realisation during the year. All monetary foreign currency balances are converted at the exchange rates prevailing at the date of the balance sheet. All exchange differences other than those relating to the acquisition of fixed assets from outside India are dealt with in the profit and loss account. Exchange gains or losses relating to fixed assets acquired from outside India are adjusted in the cost of the respective fixed assets.

H. Earnings per shares:-

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equivalents shares outstanding during the year except where result could be anti dilutive.

I. Income taxes:-

Income tax expense comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognised using the current enacted tax rates. Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognised only if there is virtual certainty of realisation of such amounts. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed at each balance sheet date to reassess the realisation.



Schedules Forming Part of Accounts for the year ending 31st March, 2010

2. NOTES TO THE ACCOUNTS

A. Contingent liabilities not provided for: -

- i) The company has executed a surety Bond for Rs. 305.25 lacs (Previous Year 305.25 lacs) in favour of the Jt. D. G. F. T. , which is yet to be discharged in respect of EPCG License granted to company for fulfillment of export obligation.
- B. In view of the insufficient information from the suppliers regarding their status as SSJ Units, the amount due to Small Scale Industrial Undertaking cannot be ascertained.
- C. Managerial remuneration paid during the year is Rs. 1.83 lacs (previous year Rs. 5.30 lacs).
- D. Traveling expenses includes Rs. 1.77 (previous year Rs. NIL) spent on Foreign Travel.
- E. There was no impairment loss on Fixed Assets on the basis of review carried out but the Management in accordance with Accounting Standard 28 issued by the Institute of Chartered Accountants of India.
- F. The Company's Business operates Segment only one segments viz, Condom. Hence the disclosure requirements for segment reporting as envisaged by Accounting Standard 17 - "Segment Reporting" issued by the ICAI is not applicable for the year under review.
- G. The tax effects of significant timing differences that resulted in deferred tax assets & liabilities and a description of the financial statement items that created these differences are as follows:

PARTICULARS	Year Ended On	Year Ended On
	31 March, 2010	31 March, 2009
	(Amount in Rs. Lacs)	(Amount in Rs. Lacs)
(i) DEFERRED TAX ASSET		
Loss to be carried forward	218.66	133.67
	<u>218.66</u>	<u>133.67</u>
(ii) DEFERRED TAX LIABILITY		
Difference between book depreciation and depreciation under Income-tax Act, 1961	260.53	297.25
	<u>260.53</u>	<u>297.25</u>
(iii) TAX LIABILITY / (ASSETS)	<u>41.87</u>	<u>163.58</u>



Schedules Forming Part of Accounts for the year ending 31st March, 2010

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

i) Key Personnel & Relatives

- a) Mr. Omprakash Garg -: Chairman
- b) Mr. Durgesh Garg -: Executive Director
- c) Mr. Pradeep Jain -: Non Executive Director
- d) Mr. Pawan Bansal -: Ex-Executive Director

ii) Transaction with Related Parties

No	Parties	Details	(Amt in Rs Lacs)	
			2009-10	2008-09
a.	Mr. Pawan Bansal (Resigned)	Remuneration	5.40	5.30
b.	Mr. Omprakash Garg	Subscribed the equity shares of the Company issued on preferential basis	97.75	9.77
c.	Mrs. Veena Garg (W/o of Mr. Omprakash)	Rent	0.72	0.72
d.	Mr. Sureshchand Garg (B/o of Mr. Omprakash)	Loan Taken during the year Loan Repaid during the year	16.91 -	3.00 2.50
e.	Mr. Durgesh Garg	Remuneration	1.83	-
f.	M/s Singhania & Co. LPP (Mr. Pradeep Jain, Partner of firm)	Professional fess for legal advice	2.89	-
g.	M/s Cupid Medical Research Centre Pvt. Ltd. (Subsidiary of Cupid Lit.)	Subscription of Share Capital	-	0.98

PARTICULARS	Year Ended On	Year Ended On
	31 March, 2010 (Amount in Lacs)	31 March, 2009 (Amount in Lacs)
I. Auditors' remuneration		
Audit fees	0.27	0.27
Tax audit and other services	0.10	0.10
TOTAL	0.37	0.37



Schedules Forming Part of Accounts for the year ending 31st March, 2010

PARTICULARS	Year Ended On 31 March, 2010 (Amount in Lacs)	Year Ended On 31 March, 2009 (Amount in Lacs)
J. Earnings & Out Flow in foreign exchange		
<u>Earning</u>		
a) FOB Value of exports	110.25	76.40
<u>Outflow</u>		
b) Import of Plant & Machinery & Technical fees	NIL	128.66
c) Commission and Professional Fees	0.74	6.86

K. Particulars regarding Capacities, Turnover & Raw Material Consumption

1. Licensed and Installed Capacity of the product manufactured:

PARTICULARS	Year ended on 31-03-2010	Year ended on 31-03-2009
i) Capacity of Rubber Prophylactics	503.51 Million pcs p.a.	503.51 Million pcs p.a.
ii) Production, Turnover and Stock of Rubber Prophylactics (Quantity in Gross)		
a) Opening Stock	1,55,961	83,604
b) Production	6,17,590	9,27,715
c) Purchases	-	10,000
d) Sales	6,49,529	8,65,358
e) Closing Stock	1,24,022	1,55,961

2. Particulars of Raw Material Consumed

Particulars [Units of Qty]	Year ended on 31 March, 2010		Year ended on 31 March, 2009	
	Quantity	Value (Rs. In Lacs)	Quantity	Value (Rs. In Lacs)
i) Latex [Kgs]	2,70,028	247.43	4,49,308	356.57
ii) Chemicals N.A.	N.A.	75.16	N.A.	106.49
iii) Furnace Oil [Litre]	5,094	1.21	29.687	5.78



Schedules Forming Part of Accounts for the year ending 31st March, 2010

3. Details regarding Imported and Indigenous Materials Consumed

Particulars	Year ended on 31 Mar, 2010		Year ended on 31 Mar, 2009	
	Amount in Lacs	% of Total	Amount in Lacs	% of Total
i) Raw Material				
Imported	-	-	-	-
Indigenous	322.59	100.00	463.06	100.00
TOTAL	<u>322.59</u>	<u>100.00</u>	<u>463.06</u>	<u>100.00</u>
ii) Furnace Oil				
Imported	-	-	-	-
Indigenous	1.21	100.00	5.78	100.00
TOTAL	<u>1.21</u>	<u>100.00</u>	<u>5.78</u>	<u>100.00</u>
iii) Packing Material				
Imported	-	-	-	-
Indigenous	209.28	100.00	286.85	100.00
TOTAL	<u>209.28</u>	<u>100.00</u>	<u>286.85</u>	<u>100.00</u>
iv) Stores and spares parts				
Imported	-	-	-	-
Indigenous	27.17	100.00	57.69	100.00
TOTAL	<u>27.17</u>	<u>100.00</u>	<u>57.69</u>	<u>100.00</u>
v) Gold Jewellery / Others				
Imported	-	-	-	-
Indigenous	-	100.00	76.98	100.00
TOTAL	<u>-</u>	<u>100.00</u>	<u>76.98</u>	<u>100.00</u>

L. Previous year figures have been regrouped and recasted, wherever considered necessary.

M. Additional information as required under part II as per Schedule VI to the Companies Act 1956 has been given to the extent applicable to the Company as per annexure A annexed herewith.

As per our Report of even date attached
For BHATTER & COMPANY
Chartered Accountants

DAULAL H. BHATTER
Proprietor
(Membership No. 16937)

For and on behalf of the Board of the Directors

OM PRAKASH GARG
Chairman

DURGESH GARG
Director

Place : Mumbai
Date : 25th August, 2010



ANNEXURE 'A'

I Registration Details

(i)	Registration No	70846
(ii)	State Code No	11
(iii)	Balance Sheet Date	31-03-2010

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

(i)	Public Issue	-
(ii)	Right Issue	-
(iii)	Bonus Issue	-
(iv)	Private Placement / Warrants	- 5,924

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

(i)	Total Liabilities	215,743
(ii)	Total Assets	215,741

SOURCES OF FUNDS

(i)	Paid-up Capital	84,651
(ii)	Reserve and Surplus	55,515
(iii)	Secured Loan	69,314
(iv)	Unsecured Loan	2,076
(v)	Net Deferred Tax (Net Liability)	4,187

APPLICATION OF FUNDS

(i)	Net Fixed Assets	190,444
(ii)	Investments	748
(iii)	Net Current Assets	24,549

IV Performance of Company (Amount in Rs Thousands)

(i)	Turnover (including other income)	86,468
(ii)	Total Expenditure	117,235
(iii)	Profit / (Loss) Before Tax	(31,611)
(iv)	Profit / (Loss) After Tax	(19,441)
(v)	Earning Per Share (Amount in Rs)	(2.30)
(vi)	Dividend Rate (%)	-

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

(i)	Item Code No	401410.01
	Products Description	Rubber Prophylactics

As per our Report of even date attached

For BHATTER & COMPANY

Chartered Accountants

DAULAL H. BHATTER

Proprietor

(Membership No. 16937)

For and on behalf of the Board of the Directors

OMPRAKASH GARG

Chairman

DURGESH GARG

Director

Place : Mumbai

Date : 25th August, 2010



**CUPID
MEDICAL AND RESEARCH
CENTRE
PRIVATE LIMITED**

(Subsidiary of Cupid Limited)

2nd ANNUAL REPORT 2009-2010



**CUPID MEDICAL AND RESEARCH CENTRE
PRIVATE LIMITED**

2nd ANNUAL REPORT 2009-2010

BOARD OF DIRECTORS

Mr. Pawan Bansal

Mr. Durgesh Garg

AUDITORS

Bhatter & Company
Chartered Accountants
Mumbai

BANKERS

HDFC Bank Limited

REGISTERED & CORPORATE OFFICE

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



Cupid Medical & Research Centre Pvt. Ltd.

NOTICE

Notice is hereby given that the Second Annual General Meeting of the shareholders of Cupid Medical and Research Centre Private Limited will be held on Wednesday, 30th September, 2010 at 103, Sona Chambers, 507/509, J.S.S. Road, Chira Bazar, Mumbai - 400 002 at 11.30 a.m. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2010 and the Profit & Loss Account of the Company for the year ended on that Date and Reports of the Directors' and Auditors' thereon.
2. To appoint Auditors of the Company and to fix their remuneration.

For and on behalf of the Board of the Directors

Pawan Bansal
Director

REGISTERED OFFICE

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

Place : Mumbai

Date : 25th August, 2010



Cupid Medical & Research Centre Pvt. Ltd.

REPORT OF BOARD OF DIRECTORS

Your Directors herewith present the **Second Annual Report** of the Company for the year ended 31st March, 2010.

Dividend

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

Fixed Deposit

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

Employee

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

Directors' Responsibility Statement

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

- i. In the preparation of the Annual Accounts for the year 2009 - 2010, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures.
- ii. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for the financial year.
- iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and control for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. We have prepared the annual accounts on a going concern basis.

For and on behalf of the Board of the Directors

PAWAN BANSAL
Director

DURGESH GARG
Director

Place : Mumbai

Date : 25th August, 2010



Cupid Medical & Research Centre Pvt. Ltd.

BHATTER & CO.

Chartered Accountants

Tel – 2285 3039

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

AUDITOR'S REPORT

We have audited the attached Balance Sheet of M/s Cupid Medical and Research Centre Private Limited as at 31st March 2010 and also the Profit & Loss Account for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of accounts, as required by law have been kept by the Company so far as appears from the examination of the books.
3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
4. In our opinion Balance Sheet and Profit & Loss Account dealt with this report company with the Accounting Standards referred to in 211 (3C) of the Companies Act, 1956.
5. On the basis of the written representations received from the directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view :-
 - i) In case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2010.
and
 - ii) In case of the Profit & Loss Account of the Loss of the company for the year ended on that date.

For BHATTER & CO.
Chartered Accountants

Place : Mumbai

Date : 25th August, 2010

DAULAL H. BHATTER
Proprietor (Membership No: 16937)



Cupid Medical & Research Centre Pvt. Ltd.

Balance Sheet as at 31st March, 2010

Particulars	Schedule	(Amount in Rs) As At 31-Mar-2010	(Amount in Rs) As At 31-Mar-2009
I SOURCE OF FUNDS			
1 SHAREHOLDERS' FUNDS			
Share Capital	A	100,000	100,000
TOTAL		<u>100,000</u>	<u>100,000</u>
II APPLICATION OF FUNDS			
2 CURRENT ASSETS, LOANS AND ADVANCES			
Cash And Bank Balances	B	75,438	78,602
Less : Current Liabilities and Provisions	C	(1,103)	(1,103)
NET CURRENT ASSETS (B - C)		<u>74,335</u>	<u>77,499</u>
3 MISC EXPENDITURE (ASSETS)	D	18,604	20,671
4 PROFIT AND LOSS ACCOUNT		7,061	1,830
TOTAL		<u>100,000</u>	<u>100,000</u>
NOTES TO ACCOUNTS	F		

As per our Report of even date attached

For BHATTER & COMPANY

Chartered Accountants

DAULAL H. BHATTER

Proprietor

(Membership No. 16937)

For and on behalf of the Board of the Directors

PAWAN BANSAL

Director

DURGESH GARG

Director

Place : Mumbai

Date : 25th August, 2010



Cupid Medical & Research Centre Pvt. Ltd.

Profit and Loss Account for the Year Ended on 31st March, 2010

Particulars	Schedule	(Amount in Rs) As At 31-Mar-2010	(Amount in Rs) As At 31-Mar-2009
1 INCOME			
Other Income		-	-
TOTAL (1)		<u>-</u>	<u>-</u>
2 EXPENDITURE			
Administrative Expenses	E	5,231	1,830
TOTAL (2)		<u>5,23</u>	<u>1,830</u>
(Loss) / Profit Before Tax	(1 - 2)	(5,231)	(1,830)
Provision for Taxation			
Less : Provision of Income Tax		-	-
(Loss) / Profit After Tax		(5,231)	(1,830)
Balance brought forward from previous year		(1,830)	-
Balance carried forward to Balance Sheet		(7,061)	(1,830)
NOTES TO ACCOUNTS	F		

As per our Report of even date attached

For BHATTER & COMPANY

Chartered Accountants

DAULAL H. BHATTER

Proprietor

(Membership No. 16937)

For and on behalf of the Board of the Directors

PAWAN BANSAL

Director

DURGESH GARG

Director

Place : Mumbai

Date : 25th August, 2010



Cupid Medical & Research Centre Pvt. Ltd.

Schedules Forming part of Accounts for the Year Ending 31st March, 2010

Particulars	As At 31-Mar-2010 (Amount in Rs)	As At 31-Mar-2009 (Amount in Rs)
<u>SCHEDULE 'A'</u>		
<u>SHARE CAPITAL</u>		
Authorised		
10,000 Equity Shares of Rs. 10 each	<u>100,000</u>	<u>100,000</u>
Issued, Subscribed & Paid up Capital		
(i) Equity Share Capital		
10,000 Equity Share of Rs. 10/- each fully Paidup	<u>100,000</u>	<u>100,000</u>
	<u>100,000</u>	<u>100,000</u>
<u>SCHEDULE ' B '</u>		
<u>CASH AND BANK BALANCES</u>		
Cash in Hand	67,674	70,838
Balance with Scheduled Banks in Current accounts	<u>7,764</u>	<u>7,764</u>
	<u>75,438</u>	<u>78,602</u>
<u>SCHEDULE ' C '</u>		
<u>CURRENT LIABILITIES AND PROVISIONS</u>		
Current Liabilities and Provisions	<u>1,103</u>	<u>1,103</u>
	<u>1,103</u>	<u>1,103</u>
<u>SCHEDULE ' D '</u>		
<u>MISCELLANEOUS EXPENDITURE</u>		
(To the extent not written off or adjusted)		
Preliminary Expenses	<u>18,604</u>	<u>20,671</u>
	<u>18,604</u>	<u>20,671</u>
<u>SCHEDULE ' E '</u>		
<u>ADMINISTRATIVE EXPENSES</u>		
Conveyance Expenses	145	727
Audit Fees	1,103	1,103
Miscellaneous Expenditure	2,067	-
W/off	1,916	-
Sundry Expenses	<u>5,231</u>	<u>1,830</u>



Schedules Forming Part of Account for the year ending 31st March, 2010

SCHEDULE 'F'

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

A. Accounting convention:

The financial statements are prepared on the accrual basis under the historical cost convention, in accordance with applicable Accounting Standards issued by the Institute of Chartered Accountants of India and provisions of the Companies Act, 1956.

B. Miscellaneous Expenditure:

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

C. Contingent Liabilities:

The Company has no contingent Liabilities during the period.

2. NOTES TO THE ACCOUNTS

A. Auditors' remuneration

Particulars	For Year ended 31-03-2010	For Year ended 31-03-2009
Audit fees and other services	1103	1103
TOTAL	1103	1103

B. Additional information as required under part II as per Schedule VI to the Companies Act 1956 has been given to the extent applicable to the Company as per annexure A annexed herewith.

As per our Report of even date attached

For BHATTER & COMPANY

Chartered Accountants

DAULAL H. BHATTER

Proprietor

(Membership No. 16937)

For and on behalf of the Board of the Directors

PAWAN BANSAL

Director

DURGESH GARG

Director

Place : Mumbai

Date : 25th August, 2010



Cupid Medical & Research Centre Pvt. Ltd.

ANNEXURE 'A'

I	Registration Details	
(i)	Registration No (CIN No)	U85100MH2008PTC186423
(ii)	State Code No	11
(iii)	Balance Sheet Date	31-03-2010
II	CAPITAL RAISED DURING THE YEAR (Amount Rs in Thousands)	
(i)	Public Issue	-
(ii)	Right Issue	-
(iii)	Bonus Issue	-
(iv)	Private Placement / Warrants	-
III	POSITION OF MOBILISATION & DEVELOPMENT OF FUND (Amount Rs in Thousands)	
(i)	Total Liabilities	100
(ii)	Total Assets	100
	SOURCES OF FUNDS	
(i)	Paid-up Capital	100
(ii)	Reserve and Surplus	-
(iii)	Secured Loan	-
(iv)	Unsecured Loan	-
(v)	Net Deferred Tax (Net Liability)	-
	APPLICATION OF FUNDS	
(i)	Net Fixed Assets	-
(ii)	Investments	-
(iii)	Net Current Assets	77
(iv)	Misc. Expenditure	20
(v)	Net Deferred Tax	-
(vi)	Accumulated Losses	3
IV	Performance of Company (Amount in Rs Thousands)	
(i)	Turnover (including other income)	-
(ii)	Total Expenditure	2
(iii)	Profit / (Loss) Before Tax	(2)
(iv)	Profit / (Loss) After Tax	(2)
(v)	Earning Per Share (Amount in Rs)	-
(vi)	Dividend Rate (%)	-
V	Generic Names of Principal Product of Company (as per monetary terms)	
(i)	Item Code No	N. A.
	Products Description	
	Medical Research	

As per our Report of even date attached

For BHATTER & COMPANY

Chartered Accountants

DAULAL H. BHATTER

Proprietor

(Membership No. 16937)

For and on behalf of the Board of the Directors

PAWAN BANSAL

Director

DURGESH GARG

Director

Place : Mumbai

Date : 25th August, 2010



A large rectangular area with rounded corners, enclosed by a solid black border. Inside this area, there are 20 horizontal dotted lines spaced evenly, providing a template for writing or drawing.



CUPID LIMITED

Regd. Office : 103, Sona Chamber, 507/509, J.S.S.Road, Mumbai – 400 002.(India)

ATTENDANCE SLIP

**Please Complete This Attendance Slip and
Hand It Over At the entrance of the Meeting Hall.**

I hereby record my presence at the 17th Annual General Meeting of the Company being held at 103, Sona Chambers, 507/509, J. S. S. Road, Mumbai – 400 002 on Thursday 30th September, 2010 at 10.15 a.m.

Name & Address of Shareholder :

Folio No. / DP ID & Client ID: _____ **Signature of the Member / Proxy**
No. of Shares held : _____

Note: Shareholders/Proxy holders are requested to bring the Attendance Slip with them duly completed and the Annual Report when they come to the meeting. Attendance Slip be hand over at



CUPID LIMITED

Regd. Office : 103, Sona Chamber, 507/509, J.S.S.Road, Mumbai – 400 002.(India)

FORM OF PROXY

Folio No. / DP ID & Client ID: _____ **No. of Shares Held:** _____

I/We of
being a member(s) of Cupid Limited hereby appoint.....
of.....or falling him of
..... as my/our Proxy to attend and vote for
me/us on my/our behalf at the 17th Annual General Meeting of the Company to be held on
Thursday 30th September, 2010 at 10.15 a.m.. and at any adjournment thereof.

Affix
Revenue
Stamp of
Rs. 1/-

Note: The Proxy form duly completed should be deposited at the Registered Office of the Company

BOOK-POST



Regd. Office :

CUPID LIMITED

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

E-mail : cupid_bom@yahoo.co.in / cupid530843@yahoo.co.in

Website : www.cupidltd.com