



# Cupid Limited

## 19th ANNUAL REPORT 2011 - 2012

<b>BOARD OF DIRECTORS</b>	:	<b>Mr. Omprakash Chhangamal Garg</b> Chairman & Managing Director
		<b>Mr. Raju Subba Sagi</b> Independent & Non Executive Director
		<b>Mr. Pradeep Jain</b> Independent & Non Executive Director
<b>AUDITORS</b>	:	<b>M/s. Bhatler &amp; Company</b> Chartered Accountants Mumbai.
<b>BANKERS</b>	:	ING Vysya Bank Limited HDFC Bank Limited State Bank of India
<b>SECRETARIAL AUDITORS</b>	:	<b>Mr. Shailesh Kachalia</b> Practicing Company Secretary Mumbai.
<b>FACTORY ADDRESS</b>	:	A-68, M.I.D.C., Sinnar, Malegaon, Nashik District, Maharashtra (India). Pin Code - 422113.
<b>REGISTERED AND CORPORATE OFFICE</b>	:	103, Sona Chambers, 507/509, J. S. S. Road, Mumbai, Maharashtra (India). Pin code - 400 002,
<b>REGISTRARS &amp; SHARE TRANSFER AGENTS</b>	:	<b>Bigshare Services (P) Ltd.,</b> E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri(East), Mumbai – 400 072.
<b>COMPLIANCE OFFICER</b>	:	<b>Mr. Omprakash Chhangamal Garg</b>



# Cupid Limited

## **NOTICE**

Notice is hereby given that the Nineteen Annual General Meeting of the shareholders of Cupid Limited will be held on Friday, 28th September, 2012 at 103, Sona Chambers, 507/509, J.S.S. Road, Mumbai - 400 002 at 10.15 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, 2012 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 Subba 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.

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

**OMPRAKASH GARG**  
Chairman & Managing Director

### **REGISTERED OFFICE**

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

Place : Mumbai

Date : 17<sup>th</sup> August, 2012

### **Notes for Member Attention**

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be member of the Company.  
Proxies in order to be effective must be received at the Registered Office of the Company at least 48 hours before the meeting.
2. The Register of Member and Share Transfer Book of the Company shall remain closed from Friday 21st September, 2012 to Friday 28th September, 2012.



## Cupid Limited

### Details of Directors Seeking Appointment at the Annual General Meeting

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

<b>Name of Director</b>	Mr. Raju Subba Sagi	Mr. Pradeep Jain
<b>Date of Birth</b>	10th December, 1942	15th September, 1974
<b>Qualification</b>	M. Sc.	M. Sc. FCS LL. B (Hon's)
<b>Date of Appointment</b>	28th February, 2009	28th February, 2009
<b>Specific Experience</b>	Industrialist with wide Business environment experience for more than 30 years	Having experience in Legal Consultancy and practicing Lawyer in well known international firm
<b>Directorships held in other Public Companies</b>	Nil	Nil
<b>Membership/ Chairman of Other Public Companies (Includes only Audit and Shareholders / Investors Grievance Committee</b>	Nil	Nil



# Cupid Limited

## **REPORT OF BOARD OF DIRECTORS**

Your Directors herewith present the **Nineteen Annual Report** on the business and operations of the Company for the year ended 31st March, 2012.

### **Financial Results**

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

<b>PARTICULARS</b>	<b>31st March, 2012</b>	<b>(Amount in Lacs)</b>
		<b>Rupees</b>
		<b>31st March, 2011</b>
<b>Turnover and Other Income</b>	<b>2,622.88</b>	<b>1,939.44</b>
(Loss) / Profit before depreciation, finance charges and tax	295.47	287.59
Less: - Depreciation and finance charges	<b>223.48</b>	<b>231.50</b>
<b>(Loss) / Profit before tax</b>	71.99	56.09
Earlier year taxes provision W/off	(8.14)	-
Provision for Deferred tax	<b>21.48</b>	<b>(17.29)</b>
<b>Net (Loss) / Profit after Tax</b>	58.64	38.80
Balance brought forward from previous year	<b>266.94</b>	<b>228.15</b>
<b>Balance Carried forward to Balance sheet</b>	325.59	266.94

### **Operations**

The year under report ended with profit of Rs. 58.64 Lacs against previous profit of Rs.38.80 Lacs. In terms of turnover, your company achieved a turnover of Rs. 2622.88 Lacs as against Rs. 1939.44 Lacs in the previous year. The profit of Rs. 58.64 Lacs is after absorbing finance cost of Rs. 86.22 Lacs (previous year at Rs. 93.83 Lacs) and depreciation of Rs. 137.26 Lacs (previous year at Rs. 137.67 Lacs).

### **Finance**

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

The Company have reported total revenue of Rs 2622.88 Lacs, which is highest ever in history of Company. The management's continuous efforts in keeping expenditure under-control have also contributed in improvement of bottom line. With a view to reduce future debt commitments, a part of Working capital loan was converted into Term loan liability of Rs.100 Lacs alienated into 24 monthly repayment term from March 2012.



# Cupid Limited

## **Conversion of Warrant and Issue of New Convertible Warrants**

Outstanding 6,42,100 Convertible Warrants were converted to 6,42,100 Equity Shares on 7th April 2011 in consideration to receipt of 100% amount.

Due to commitments for repayment of terms loans and increasing needs of working capital, the Company additionally approved issue of 15,00,000 convertible warrants at par and same is being approved by shareholders in EGM held on 20th July, 2011 of which 95,000 warrants were converted to 95,000 equity shares on receipt of 100% amount for the convertible warrants on 27th March, 2012.

## **Launch of Female Condoms commercially in Market**

The Company's own developed female condoms got registration certificate from Government of India-Ministry of Science & Technology, Department of Scientific & Industrial Research New Delhi. Our Company acclaimed to be 1st Inidan Company having in-house manufacturing of female condoms in domestic market. Company launched female condoms commercially and had been able to acquire superior order from international and domestic markets. The export revenue contribution from female condom segment during the year was about Rs. 174.31 lacs.

## **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 performances during financial year 2011 -2012 was better than previous year and also are pleased to mention that in terms revenue company had reported a turnover of Rs 2597.75 lacs due to repeated order from Government of India has further added to improvement in Company's performances.

## **Quality and Systematic Organisation flow Initiatives**

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

## **Dividend**

In view to conserve resources, the Board do not recommend payment of any dividend for the year 2011 - 2012.

## **Directors**

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

Mr. Anup Prakash Garg resigned as Director of the Company on 14th May, 2011 and Mr. Durgesh Garg resigned as Director of Company on 24th December, 2011.

As per shareholder approval in EGM held on 20th July, 2011 in pursuant to provisions of section 269 of the Companies Act, 1956 and as per approval received by letter dated 9th February, 2012 from Central Government Mr. Omprakash Garg is qualified as Executive Directors for the period of 5 years with effect from 20th July, 2011 to 19th July, 2016. Then after further to his reliability and deliberation the Board of Directors at their meeting held on 21st April, 2012 under alike requisites apprised



# Cupid Limited

Mr. Omprakash Garg designation as Chairman and Managing Director of 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.348.69 Lacs (Previous year Rs. 189.15 Lacs) through exports, whereas the Company spent foreign exchange of Rs.2.93 Lacs (Previous Year Rs. 0.89 Lacs).

## **Fixed Deposit**

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

## **Auditors**

M/s Bhattar & Company, Chartered Accountants, Mumbai, who 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 2011 - 2012, 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.



# Cupid Limited

- 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 & Managing Director

Place : Mumbai

Date : 17th August, 2012



# Cupid Limited

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

This discussion contains forward-looking statements, the performance of the Company for the year 2011-2012 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 9% 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:

<b>Particulars</b>	<b>(Amount in Lacs)</b>	
	<b>31st March, 2012</b>	<b>31st March, 2011</b>
Turnover and Other Income	2622.88	1939.44
<b>(Loss) / Profit before depreciation, finance charges and tax</b>	<b>295.47</b>	<b>287.59</b>
Less: - Depreciation and finance charges	223.48	231.50
<b>(Loss) / Profit before tax</b>	<b>71.99</b>	<b>56.09</b>
Earlier year taxes provision W/off	(8.14)	-
Provision for Deferred tax	21.48	(17.29)
<b>Net (Loss) / Profit after Tax</b>	<b>58.64</b>	<b>38.80</b>
Balance brought forward from previous year	266.94	228.15
<b>Balance Carried forward to Balance sheet</b>	<b>325.59</b>	<b>266.94</b>

### **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.



# Cupid Limited

## 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, 2012 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, 2012 based on the information received from the Company and presented to the Shareholder's/Investors' Grievances Committee, there are no investor grievances pending against the Company for more than 30 days.

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

**For BHATTER & COMPANY**

Chartered Accountants

Firm Reg. No. 131092W

**DAULAL H. BHATTER**

Proprietor

Membership No. 16937

Place : Mumbai

Date : 17th August, 2012



## **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, 2012 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 2011-12		Directorships in other public Companies		Committee Position held in other public Companies		Attendance at Last AGM
		Held	Attended	Chairman	Member	Chairman	Member	
Omprakash Garg	Chairman & Managing Director	10	6	NIL	NIL	NIL	NIL	Present
Durgesh Garg #	Director	8	8	NIL	NIL	NIL	NIL	Present
Anup Prakash Garg*	Independent Director, Non Executive	3	2	NIL	1	NIL	1	N. A.
Raju Subba Sagi	Independent Director, Non-Executive	10	5	NIL	NIL	NIL	NIL	Absent
Pradeep Jain	Independent Director, Non-Executive	10	9	NIL	NIL	NIL	NIL	Present

\* Resigned on 14<sup>th</sup> May, 2011

# Resigned on 24<sup>th</sup> December, 2011

### **b) Board Procedures**

Ten board meetings were held during the year on the following dates: 7th April, 2011, 28th April, 2011, 14th May, 2011, 3rd August, 2011, 12th August, 2011, 20th August, 2011, 14th November, 2011, 24th December, 2011, 11th February, 2012 and 27th March, 2012.

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.



# Cupid Limited

## 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 24<sup>th</sup> December, 2011 comprising the following Members:

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

Name	Category	No of Meeting for year 11 – 12	
		Held	Attended
Mr. Pradeep Jain @	Chairman Independent & Non-Executive Director	6	6
Mr. Raju Subba Sagi	Independent & Non-Executive Director	7	5
Mr. Anup Prakash Garg^	Ex- Chairman & Non-Executive Director	2	2
Mr. Omprakash Garg @	Managing Director	6	3
Mr. Durgesh Garg \$	Director	6	5

^ Resigned on 14<sup>th</sup> May, 2011 @ Appointed on 14<sup>th</sup> May, 2011 \$ Resigned on 24<sup>th</sup> December, 2011

Mr. Pradeep Jain Chairman of the Audit Committee was present at the 18<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> September, 2011 to answer the shareholder's 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 on 24<sup>th</sup> December, 2011 comprising the following Members:

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

The Company paid Rs. 7,64,300 (Seven Lacs and Sixty-four Thousand Three hundred only) as remuneration to Mr. Durgesh Garg Ex-Director of the Company for the year 2011-2012.

One Meeting of the Remuneration Committee was held in the year 2011-2012 wherein the Committee Members took decision on remuneration and other such related matters of the Company. The Company as approved have paid nominal sitting fees and reimburses out pocket expenses incurred by Directors of the Company under review of same by remuneration committee members.



## Cupid Limited

### E. Shareholders / Investors Grievance Committee

Shareholders / Investors Grievance Committee was re-constituted as required by Clause 49 of the Listing Agreement on 24th December, 2011 comprising the following Members:

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

Name	Category	No. of Meeting for year 2011-2012	
		Held	Attended
Mr. Pradeep Jain @	Chairman Independent & Non-Executive Director	6	6
Mr. Raju Subba Sagi	Independent & Non-Executive Director	7	5
Mr. Anup Prakash Garg^	Ex- Chairman & Non-Executive Director	2	2
Mr. Omprakash Garg @	Managing Director	6	3
Mr. Durgesh Garg \$	Director	6	5

^ Resigned on 14<sup>th</sup> May, 2011 @ Appointed on 14<sup>th</sup> May, 2011 \$ Resigned on 24<sup>th</sup> December, 2011

#### a) Procedure of the committee

The Board of Directors had delegated the power of share transfer to Mr. Durgesh Garg General Manager 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 2012-2013 to Bombay Stock Exchange Limited (BSE).

#### c) Shareholders Complaints for year 2011 - 2002

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

### F. General Body Meetings:

Location and time of last three AGMs held :-

Date of AGM	Time of AGM	Location
September 30, 2009	10.15 A.M.	103, Sona Chamber, 507/509, J.S.S. Road, Mumbai-400002
September 30, 2010	10.00 A.M.	103, Sona Chamber, 507/509, J.S.S. Road, Mumbai-400002
September 30, 2011	10.15 A.M.	103, Sona Chamber, 507/509, J.S.S. Road, Mumbai-400002



# Cupid Limited

## **G. Extra Ordinary General Meetings :**

During the year under review one Extra Ordinary General Meeting of the shareholders of the Company was held on Wednesday 20th July, 2011 for considering of following :-

- Mr. Omprakash Garg appointment as Executive Director in pursuant to provisions of section 269 of Companies Act, 1956 & further approval of Central Government.
- Increase of authorized share capital from Rs.10,00,00,000 divided into 1,00,00,000 equity shares to Rs.12,00,00,000 divided into 1,20,00,000 equity shares of Rs.10/- each.
- to obtain approval for issue of 15,00,000 Warrants carrying an entitlement to subscribe to an equivalent number of Equity shares of face value of Rs 10/- each at price not less than Rs.10.00 per share.

## **H. 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 share capital. The said company has not started any business activities.

## **I. Disclosures of Accounting treatment**

Disclosure of accounting treatment wherever applicable has been made in the Audited Financial Accounts for the year ended 31st March, 2012

## **J. Board Disclosures Risk Management**

The Company has 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.

## **K. 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.

## **L. 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.

## **M. 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.



## **N. CEO / CFO Certification**

The Company is duly placing a certificate to the Board from Mr. Omprakash Garg, Chairman and Managing Director of the Company in accordance with the Clause 49 (v) of the Listing Agreement. The aforesaid certificate duly signed by Mr. Omprakash Garg, of the Company in respect of financial year ended 31st March, 2012 has been placed before the Board in the meeting held on 17th August, 2012.

## **O. The Company has implemented Whistle Blower Policy**

## **P. General Shareholder's Information**

### **1. Annual General Meeting to be held**

**Date** 28<sup>th</sup> September, 2012

**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 2012 – 2013 (tentative)**

Financial reporting for the quarter ending June 2012 After 15<sup>th</sup> July, 2012.

Financial reporting for the quarter ending September 2012 After 15<sup>th</sup> October, 2012.

Financial reporting for the quarter ending December 2012 After 15<sup>th</sup> January, 2013.

Financial reporting for the quarter ending March 2013 After 15<sup>th</sup> April, 2013.

**3. Date of Book Closure** 21<sup>st</sup> September, 2012 to 28<sup>th</sup> September, 2012

**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



# Cupid Limited

## 9. i) Shares held in Physical / Electronic form as on 31st March, 2012

Particulars	Shares	% of shares
Shares in Electronic form	82,69,985	85.17
Shares in Physical form	14,40,015	14.83
Total	97,10,000	100.00

## ii) Distribution of share holding as on 31<sup>st</sup> March, 2012

No. of Equity Shares held	No. of Holders	% of Holders	No. of shares	% of Shares
Upto 500	2,222	66.7468	534,554	5.5052
501 – 1000	560	16.8219	477,481	4.9174
1001 – 2000	248	7.44970	3,90,939	4.0261
2001 – 3000	83	2.4932	215,838	2.2228
3001 – 4000	42	1.2616	149,702	1.5417
4001 – 5000	44	1.3217	212,517	2.1886
5001 – 10000	73	2.1929	557,593	5.7425
10001 and above	57	1.7122	71,71,379	73.8556
Total	3,329	100.00	97,10,000	100.00

## iii) Shares holding Pattern as on 31<sup>st</sup> March, 2012

Category	No. of Holders	No. of shares	% of shares
Promoters & Promoter's Group	7	42,75,300	44.03
Mutual Funds	2	3,500	00.04
Bodies Corporate	111	10,02,008	10.32
NRI / OCBs	45	7,36,765	7.59
Indian Public	3,157	36,81,296	37.91
Others (Clearing Members)	7	11,131	0.11
Total	3,329	97,10,000	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 – 2011	10.25	5.73	8.23	72,956	19811.14	18976.19
May – 2011	9.53	6.11	7.39	63,393	19253.87	17786.13
Jun – 2011	8.80	6.65	7.53	45,182	18873.39	17314.38
Jul – 2011	8.63	6.38	7.93	44,711	19131.7	18131.86
Aug – 2011	8.48	6.03	7.14	74,636	18440.07	15765.53
Sep – 2011	7.80	6.15	6.6	65,032	17211.8	15801.01
Oct – 2011	7.68	5.34	5.86	61,078	17908.13	15745.43
Nov – 2011	6.45	4.40	5.13	81,099	17702.26	15478.69
Dec – 2011	5.99	4.39	5.02	57,086	17003.71	15135.86
Jan – 2012	6.64	4.70	5.93	71,537	17258.97	15358.02
Feb – 2012	7.73	5.90	7.08	86,240	18523.78	17061.55
Mar – 2012	7.58	6.00	6.67	74,044	18040.69	16920.61



## Cupid Limited

**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 issued 15,00,000 convertible warrants at Rs 10/- to be converted to equal number of Equity Shares of Rs 10/- each as per shareholder approval at EGM 20th July, 2011, of which 14,05,000 convertible warrants are outstanding as on 31st March 2012. The Company has not issued any GDR / ADR etc during the year.

**P. Management Discussion and Analysis**

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

**Q. Chairman of the Board**

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

**R. Remuneration Committee**

The Company has constituted remuneration committee.

**S. Shareholders Rights**

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

**T. Postal Ballot**

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



# Cupid Limited

## AUDITOR'S REPORT TO THE MEMBERS

1. We have audited the attached Balance Sheet of CUPID LIMITED, ("the Company"), as at 31st March, 2012, and the related statement of 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, statement of 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, 2012 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, 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, 2012.
    - ii) in the case of the statement of Profit and Loss Account of the profit 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  
Firm Reg. No. 131092W

**DAULAL H. BHATTER**

Proprietor  
(Membership No.16937)

Place : Mumbai  
Dated : 17th August, 2012



## 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, 2012.

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 40.38 Lacs and year end balance of loan taken from such parties was Rs. 38.60 Lacs. The terms and condition on which loans have been taken are not, prima facie, prejudicial to the interest of company. We have been further informed that no repayment terms have been stipulated. The company has not granted any loans to the parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) (a) As per our opinion proper register in pursuance to section 301 of the Act is maintained by the Company.



## Cupid Limited

- (b) In our opinion and according to the information and explanations given to us in respect of transactions with the parties covered by Section 301 of the Companies Act, 1956 with whom transactions exceeding value of Rs 5 Lakhs have been entered into during the financial year, are at the prices which are reasonable having regard to the prevailing market prices at the relevant time except in case of some transactions where alternate source of supply did not exist and therefore there were no such transactions that need to be entered into a register in pursuance of section 301 of the Act, the Clause (v) (b) of the Order is not applicable.
- (vi) The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
- (viii) To the best of our knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any product of the Company.
- (ix) (a) According to the information and explanation given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable..
- (b) According to the records of the Company, there are no dues of sales tax, income-tax, customs, wealth-tax, excise duty, cess which have not been deposited on account of any disputes.
- (x) The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current financial year covered by our audit.
- (xi) Based on our examination of the Books of accounts and related records and according to the information and explanations given to us, we are of the opinion the Company has not defaulted in repayment of dues to Banks.
- (xii) Based on our examination of the records and that information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a Chit Fund Company or nidhi/mutual benefit fund/society.
- (xiv) In respect of shares, securities, debentures or other investments dealt in or traded by the Company, proper records are maintained in respect of transactions and contracts and timely entries have been made therein.



## Cupid Limited

- (xv) According to the information and explanations given to us, the Company has not provided guarantees for loans taken by others from banks and financial institutions.
- (xvi) Based on our examination of the records and the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance sheet of the Company we report that no funds raised on short term basis have been used for long term assets. No long term funds have been used to finance short term assets and hence the question of commenting of their utilization does not arise.
- (xviii) According to the information and explanations given to us, the company 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  
Firm Reg. No. 131092W

**DAULAL H. BHATTER**

Proprietor  
(Membership No. : 16937)

Place : Mumbai  
Date : 17th August, 2012



# Cupid Limited

## Balance Sheet as at 31st March, 2012

Particulars	Note No.	(Amount in Rs) As At 31-Mar-2012	(Amount in Rs) As At 31-Mar-2011
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	1	97,100,000	89,729,000
(b) Reserves and Surplus	2	65,834,177	59,649,044
(c) Money received against share warrants	1	3,512,500	4,685,800
		<u>166,446,677</u>	<u>154,063,844</u>
<b>2 Non-Current Liabilities</b>			
(a) Long-term borrowings	3	4,583,326	14,468,189
(b) Dererred tax liabilities (Net)	4	8,064,566	5,916,446
		<u>12,647,892</u>	<u>20,384,635</u>
<b>3 Current Liabilities</b>			
(a) Short-term borrowings	5		
(i) Secured		19,412,433	29,362,846
(ii) Unsecured		3,860,100	1,994,350
(b) Trade payable	6	24,109,709	22,324,321
(c) Other current liabilities	7	32,000,121	17,943,576
(d) Short-term provisions	8	4,296,597	1,820,696
		<u>83,678,960</u>	<u>73,445,789</u>
	<b>TOTAL</b>	<u>262,773,529</u>	<u>247,894,268</u>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Fixed Assets	9		
(i) Tangible Assets		167,512,105	178,132,532
(ii) Intangible Assets		246,619	411,032
(iii) Capital work-in-progress		658,452	-
		<u>168,417,176</u>	<u>178,543,564</u>
(b) Non-current investments	10	4,698,000	3,148,000
(c) Other non-current assets	11	3,151,902	3,150,902
		<u>176,267,078</u>	<u>184,842,466</u>
<b>(2) Current Assets</b>			
(a) Inventories	12	39,456,412	29,514,816
(b) Trade receivable	13	26,982,897	18,686,127
(c) Cash and cash equivalents	14	2,375,713	1,696,134
(d) Short-term loans and advances	15	16,338,789	12,420,905
(e) Other Current assets	16	1,352,640	733,820
		<u>86,506,451</u>	<u>63,051,802</u>
	<b>TOTAL</b>	<u>262,773,529</u>	<u>247,894,268</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS, AS UNDER

Significant Accounting Policies

Notes to the Balance Sheet

Other Notes

1 to 16

26

**In terms of our report of even date**

**For BHATTER & COMPANY**

Chartered Accountants  
Firm Registration No. 131092W

**DAULAL H. BHATTER**

Proprietor  
Membership No. 16937

Place : Mumbai

Date : 17th August, 2012

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

**OMPRAKASH GARG**

Chairman & Managing Director

**Pradeep Jain**

Independent Director

Place : Mumbai

Date : 17th August, 2012

**Shailesh Kachalia**

Company Secretary



# Cupid Limited

## Statement of Profit and Loss Account for the year ended on 31st March, 2012

Particulars	Note No.	Year Ended 31-Mar-2012 (Amount in Rs)	Year Ended 31-Mar-2011 (Amount in Rs)
1. Revenue from operations	17	259,775,940	191,110,133
2. Other income	18	2,512,256	2,883,223
3. <b>Total Revenue (I + II)</b>		<b>262,288,196</b>	<b>193,943,356</b>
4. Expenses :			
Cost of materials consumed	19	167,529,013	120,448,281
Charges in inventories of finished goods, work-in-progress	20	(2,696,055)	(7,190,770)
Manufacturing Expenses	21	34,494,813	19,109,165
Employee benefits expense	22	19,239,952	15,716,350
Administrative, Selling and Other Expenses	23	14,173,060	17,101,279
Depreciation and amortization expense	9	13,726,919	13,766,861
Finance costs	24	8,622,032	9,382,696
<b>Total Expenses</b>		<b>255,089,734</b>	<b>188,344,135</b>
5. Profit before tax (III - IV)		7,198,462	5,609,221
6. Less : Tax Expenses			
(1) Earlier years taxes written off		(813,741)	-
(2) Deferred Tax	4	2,148,120	1,729,232
7. Profit/(Loss) for the year		<b>5,864,083</b>	<b>3,879,989</b>
8. Earnings per equity share :	25		
(1) Basic		0.60	0.43
(2) Diluted		0.53	0.40

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS, AS UNDER

Significant Accounting Policies

Notes to the Statement of Profit & Loss

17 to 24

Other Notes

26

**In terms of our report of even date**

**For BHATTER & COMPANY**

Chartered Accountants  
Firm Registration No. 131092W

**DAULAL H. BHATTER**

Proprietor  
Membership No. 16937

Place : Mumbai

Date : 17th August, 2012

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

**OMPRAKASH GARG**

Chairman & Managing Director

**Pradeep Jain**

Independent Director

Place : Mumbai

Date : 17th August, 2012

**Shailesh Kachalia**  
Company Secretary



# Cupid Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2012

Particulars	Year Ended 31-Mar-2012 (Amount in Rs)	Year Ended 31-Mar-2011 (Amount in Rs)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation	7,198,462	5,609,221
<b>ADJUSTMENT FOR :</b>		
Depreciation on fixed assets	13,726,919	13,766,861
Finance Cost	8,622,032	9,382,969
Credit Balance Written Back	(29,022)	(1,439)
Interest income	(296,321)	(785,764)
<b>Operating profit before working capital changes</b>	<b>29,222,070</b>	<b>27,971,848</b>
<b>Adjustments for :</b>		
(Increase) / Decrease in Inventories	(9,941,596)	(9,579,910)
(Increase) / Decrease in Trade receivables	(8,296,770)	1,755,439
(Increase) / Decrease in Other Loans and advances	(4,508,287)	(748,405)
Increase / (Decrease) in Trade payables	1,785,388	(3,638,194)
Increase / (Decrease) in Other Current Liabilities & Provisions	10,860,420	(1,118,690)
<b>Cash Generated From Operations</b>	<b>19,121,225</b>	<b>14,642,088</b>
Income tax Paid / TDS	(29,417)	(61,929)
<b>Net Cash inflow from / (outflow) from Operating activities</b>	<b>19,091,808</b>	<b>14,642,088</b>
<b>B Cash Flow From Investing Activities</b>		
Purchase of fixed assets	(3,600,531)	(1,866,391)
Purchase of investments	(1,550,000)	(2,400,000)
Interest received	296,321	785,764
<b>Net Cash inflow from/ (outflow) from Investing activities</b>	<b>(4,854,210)</b>	<b>(3,480,627)</b>
<b>C CASH FLOW FROM Financing ACTIVITIES</b>		
Receipts from issue of Convertible warrants including premium	6,518,750	10,018,750
Proceeds / (Repayment) Long / Short Term Borrowing (Secured)	(13,320,487)	(11,032,457)
Proceeds / (Repayment) Short Term Borrowing (Unsecured)	1,865,750	(481,556)
Finance Cost	(8,622,032)	(9,382,969)
<b>Net Cash inflow from/ (outflow) from Investing activities</b>	<b>(13,558,019)</b>	<b>(10,878,232)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>679,579</b>	<b>221,300</b>
<b>Opening Cash and Cash Equivalents</b>		
Cash in hand	954,243	913,834
Balance in Bank and Deposit	741,891	561,000
	<b>1,696,134</b>	<b>1,474,834</b>
<b>Closing Cash and Equivalents</b>		
Cash in hand	978,006	954,243
Balance in Bank and Deposit	1,397,707	741,891
	<b>2,375,713</b>	<b>1,696,134</b>

In terms of our report of even date

**For BHATTER & COMPANY**

Chartered Accountants  
Firm Registration No. 131092W

**DAULAL H. BHATTER**

Proprietor  
Membership No. 16937

Place : Mumbai

Date : 17th August, 2012

For and on behalf of the Board of the Directors

**OMPRAKASH GARG**

Chairman & Managing Director

**Pradeep Jain**

Independent Director

Place : Mumbai

Date : 17th August, 2012

**Shailesh Kachalia**

Company Secretary



## Accompanying notes to the financial statements for the year ended 31st March, 2012 SIGNIFICANT ACCOUNTING POLICIES

### 1. General Information

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

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

### 2. Significant Accounting Policies

#### a) Basic of Preparation of Financial Statements

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

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

These financial statements are presented in Indian rupees.

#### b) Use of estimates

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

#### c) Fixed Tangible Assets / Intangible Assets

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

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



## Accompanying notes to the financial statements for the year ended 31st March, 2012 SIGNIFICANT ACCOUNTING POLICIES

### d) Depreciation

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

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

### e) Impairment of Assets

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

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

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

### f) Inventories

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

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



## Accompanying notes to the financial statements for the year ended 31st March, 2012 SIGNIFICANT ACCOUNTING POLICIES

### g) Revenue Recognition

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

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

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

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

### h) Investments :

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

### i) Foreign Currency Transactions

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

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

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

### j) Retirement and Other Employee Benefits.

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

*Long term Post employment employee benefits* : Company 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 obligation towards pension and retirement benefits are covered.



## Accompanying notes to the financial statements for the year ended 31st March. 2012 SIGNIFICANT ACCOUNTING POLICIES

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

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

### k) Leases

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

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

### l) Taxation

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

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

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

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

### m) Borrowing Cost

Borrowing costs if any to the extent related / attributable to the acquisition / construction of assets that takes substantial period of time to get ready for their intended use are capitalized



## Accompanying notes to the financial statements for the year ended 31st March, 2012 SIGNIFICANT ACCOUNTING POLICIES

along with the respective fixed asset up to the date such asset is ready for use. Other borrowing costs are charged to the Statement of Profit and Loss.

### n) Earnings Per Share

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

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

### o) Provisios and Contingencies

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

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

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



# Cupid Limited

## Accompanying notes to the financial statements for the year ended 31st March, 2012

### NOTE NO. 1

#### SHARE CAPITAL

##### a. Details of authorised, issued and subscribed share capital

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Authorised Capital</b>		
1,20,00,000 (1,00,00,000) Equity Shares of Rs. 10 each	120,000,000	100,000,000
<b>Issued Capital, Subscribed and Paid up</b>		
97,10,000 (89,72,900) Equity Shares of Rs. 10/- each	97,100,000	89,729,000
<b>Total</b>	<b>97,100,000</b>	<b>89,729,000</b>

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

Name of Shareholder	Relationship	As at March 31, 2012		As at March 31, 2011	
		No. of Equity Shares held	Percentage #	No. of Equity Shares held	Percentage #
Omprakash Garg	Chairman and Managing Director	1,593,900	16.42	1,593,900	17.76
Sureshchand Garg	Brother of Mr. Omprakash Garg	1,186,451	12.22	544,351	6.07
Veena Garg	Spouse of Mr. Omprakash Garg	477,500,	4.92	477,500	5.32

# As on 31st March 2012 no of issued equity share was 97,10,000 whereas as on 31st March 2011 no of issued equity shares was 8972900

##### c. Reconciliation of number of Equity shares

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	8,972,900	89,729,000	8,465,000	84,650,000
Shares Issued during the year	737,100	7,371,000	507,900	5,079,000
Share outstanding at the end of the year	9,710,000	97,100,000	8,972,900	89,729,000



# Cupid Limited

## Accompanying notes to the financial statements for the year ended 31st March, 2012

### d. Details of money received against Convertible Share Warrants

Particulars	As On 31st March, 2012		As On 31st March, 2011	
	Number	Rupees	Number	Rupees
<b>Warrants outstanding at beginning of year</b>				
Partly Paid-up Convertible warrants	642,100	1,685,513	-	-
Advance recd for balance 642100 warrants	-	3,000,287	-	-
<b>ADD : Warrants Issued during the year</b>				
As approved in EGM dt. 05-06-2010 @ Rs. 10.50	-	-	1,150,000	3,018,750
As approved in EGM dt. 20-07-2011 @ Rs. 10.00	1,500,000	3,750,000	-	-
<b>LESS : Warrants Converted to Equity Shares</b>				
On dt. 30-09-2010 of Rs. 10.50 per warrant	-	-	(507,900)	(1,333,238)
On dt. 07-04-2011 of Rs. 10.50 per warrant	(642,100)	(1,685,513)	-	-
On dt. 27-03-2011 of Rs. 10.00 per warrant	(95,000)	(237,500)	-	-
<b>Warrants outstanding at end of year</b>				
Partly Paid-up Convertible warrants	1,405,000	3,512,500	642,100	1,685,513
advance recd for balance 642100 warrants	-	-	-	3,000,287

### Terms and Condition for issued share warrant / Convertible warrants

1. The issue of warrants convertible into equity shares on preferential basis are as per price determined in compliance with SEBI ICDR Regulations 2009 for Preferential Issues as amendments thereof
2. 25% of the value of the Warrant are been paid on the date of allotment of warrant. The balance is payable at the time of conversion. Each Warrant will be converted at the option of the allottee, into one equity share at any time within 18 months from the date of
3. In case the option is not exercised within a period of 18 months from the date of issue, the aforesaid 25% amount paid on the date of allotment shall be forfeited.
4. The Warrants shall be locked in form a period of one/three years from the date of allotment as prescribed under SEBI ICDR Regulation 2009 as amended.
5. The lock-in on the Equity Shares resulting from the exercise of the option under the warrants shall be locked in for a period of one/three year from the date of allotment as prescribed under SEBI ICDR Regulation 2009 as amended.



# Cupid Limited

Accompanying notes to the financial statements for the year ended 31st March, 2012

## NOTE NO. 2

### RESERVES AND SURPLUS

Particulars	As at 31st March, 2012	As at 31st March, 2011
<b>a. Securities Premium Account</b>		
Opening Balance	29,954,550	29,700,600
Add : Securities premium credited on Share issue	321,050	253,950
Less : Premium Utilised for various reasons	-	-
Closing Balance	30,275,600	29,954,550
<b>b. Other Reserves (Special Capital Incentive)</b>		
Opening Balance	3,000,000	3,000,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	3,000,000	3,000,000
<b>c. Surplus / Profit &amp; Loss Account</b>		
Opening Balance	26,694,494	22,814,505
(+) Net Profit / (Net Loss) For the year	5,864,083	3,879,989
Closing Balance	32,558,577	26,694,494
<b>Total</b>	<b>65,834,177</b>	<b>59,649,044</b>



# Cupid Limited

## Accompanying notes to the financial statements for the year ended 31st March, 2012

### NOTE NO. 3

#### LONG-TERM BORROWINGS

Particulars	As at 31st March, 2012	As at 31st March, 2011
<b>SECURED</b>		
(a) Long terms maturities of finance lease obligations	25,547,795	28,917,869
<b>Less</b> : Terms Loan Payable upto 31st March 2013 *	20,964,469	14,449,680
<b>TOTAL</b>	<b>4,583,326</b>	<b>14,468,189</b>

PARTICULARS	TER LOAN - 1	TER LOAN - 2	TER LOAN - 3	TER LOAN - 4	TER LOAN - 5
Rate Of Interest	13.75%	13.75%	13.75%	13.75%	13.75%
No of Instalments					
Outstanding #	13	13	13	13	23
Amount of Monthly Instalment (excluding interest payable on loan)	512,139	213,334	126,861	351,806	416,666
Current Term Loan*	6,741,823	2,805,268	1,667,655	4,631,856	5,117,867
Non Current Term Loan	-	-	-	-	4,583,326
<b>TOTAL TERM LOAN</b>	<b>6,741,823</b>	<b>2,805,268</b>	<b>1,667,655</b>	<b>4,631,856</b>	<b>9,701,193</b>

- i) Terms loan is secured by a first charge on all the moveable 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.
- ii) Additionally all above loans have been personally guranted by Mr. Omprakash Garg, Chairman and Mr. Durgesh Garg.
- iii) 10,01,500 Equity Shares of the company of Rs. 10 each held by promoter has been pledged with Bank as collaratel against Term and Cash Credit facilities.

# Instalment due on term loan on 31-3-2012 was debited by bank in the month of April, 2012.

\* Installments falling due in respect of all the Loans upto 31st March 2013 have been grouped under Current maturities of Loan-term debt (Refer Note no # 7)



## Accompanying notes to the financial statements for the year ended 31st March, 2012

### NOTE NO. 4

#### DEFERRED TAX LIABILITY (Net)

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

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

Particulars	As at 31st March, 2012	As at 31st March, 2011
<b>a. Deferred Tax Liability</b>		
Excess of net block fixed assets as per book of accounts over net block for tax purpose	25,641,516	26,050,322
	25,641,516	26,050,322
<b>b. Deferred Tax Assets</b>		
Carry forward business loss and unabsorbed depreciation	17,576,950	20,133,876
	17,576,950	20,133,876
Net Deferred Tax Liability (a - b)	8,064,566	5,916,446

Deferred Tax Charge / (Credit) for the year 2,148,120 1,729,232

### NOTE NO. 5

#### SHORT - TERM BORROWINGS

##### i) Secured - Short - Term Borrowings

Particulars	As at 31st March, 2012	As at 31st March, 2011
Working Capital Loan Banks	19,412,433	29,362,846
TOTAL	19,412,433	29,362,846

- Working Capital Assistance Loan from banks is secured by hypothecation of stock of raw materials, WIP and finished goods and book debts.
- Additionally above loan have been personally guaranteed by Mr. Omprakash Garg, Chairman and Mr. Durgesh Garg
- Maturity period with respect to Cash Credit is renewable every year
- Rate of interest on cash credit is IVRR Less 3% as on 31st March, 2012 IVRR is 16.75%

##### ii) Unsecured - Short - Term Borrowings

Particulars	As at 31st March, 2012	As at 31st March, 2011
Loan and advance from related parties (Interest Free)	3,860,100	1,994,350
TOTAL	3,860,100	1,994,350



# Cupid Limited

Accompanying notes to the financial statements for the year ended 31st March, 2012

**NOTE NO. 6**  
**TRADE PAYABLES**

Particulars	As at 31st March, 2012	As at 31st March, 2011
Trade Payables for Materials and Services	24,109,709	22,324,321
Total	24,109,709	22,324,321

**NOTE NO. 7**  
**OTHER CURRENT LIABILITIES**

Particulars	As at 31st March, 2012	As at 31st March, 2011
Statutory Liabilities	529,822	470,928
Current maturities of long-term debt (ref note no # 3)	20,964,469	14,449,680
Advance from Customers	10,505,830	3,002,968
Total	32,000,121	17,943,576

**NOTE NO. 8**  
**SHORT-TERM PROVISIONS**

Particulars	As at 31st March, 2012	As at 31st March, 2011
Accrual for Expenses	4,296,597	910,342
Provisions for Taxes	-	910,354
TOTAL	4,296,597	1,820,696

Accompanying notes to the financial statements for the year ended 31st March, 2012



NOTE NO. 9

FIXED ASSETS

(Amount in Rs.)

PARTICULARS	DEPRECIATION		Gross Block			Accumulated Depreciation			NET BLOCK	
	Method	Rate of Depreciation (Pro-rata)	As at April 1st, 2011	Additional (Deletions) during the year	As at March 31st, 2012	As at April 1st, 2011	Depreciation charge for the year	As at March 31st, 2012	As at March 31st, 2012	As at March 31st, 2011
<b>A. Tangible Assets</b>										
Land & Site Development	SLM	4.75%	1,644,000	-	1,644,000	-	-	-	<b>1,644,000</b>	1,644,000
Building	SLM	3.34%	48,472,549	-	48,472,549	14,269,349	1,618,983	15,888,332	<b>32,584,217</b>	34,203,200
Plant & Machinery	SLM	4.75%	173,563,903	-	173,563,903	84,935,236	8,244,285	93,179,321	<b>80,384,582</b>	88,628,867
Electricals	SLM	4.75%	10,729,527	377,447	11,106,974	5,041,351	514,135	5,555,486	<b>5,551,488</b>	5,688,176
Indegenious Equipment	SLM	4.75%	56,023,405	1,093,256	57,116,661	12,037,225	2,676,235	14,713,460	<b>42,403,201</b>	43,986,180
Computers	WDV	40.00%	1,358,514	104,390	1,462,904	1,118,273	107,088	1,225,361	<b>237,543</b>	240,241
Air Conditioner	SLM	4.75%	239,422	49,200	288,622	46,506	12,347	58,853	<b>229,769</b>	192,916
Office Equipment	SLM	11.38%	113,578	---	113,578	63,357	7,203	70,560	<b>43,018</b>	50,221
Vehicles	SLM	4.75%	637,953	---	637,953	83,333	30,303	113,636	<b>524,317</b>	554,620
Furniture & Fixtures	SLM	6.33%	5,173,873	1,317,786	6,491,659	2,229,762	351,927	2,581,689	<b>3,909,970</b>	2,944,111
<b>TOTAL</b>			<b>297,956,724</b>	<b>2,942,079</b>	<b>300,898,803</b>	<b>119,824,192</b>	<b>13,562,506</b>	<b>133,386,698</b>	<b>167,512,105</b>	<b>178,132,532</b>
<b>Previous Year</b>			<b>296,090,333</b>	<b>1,866,391</b>	<b>297,956,724</b>	<b>106,331,353</b>	<b>13,492,839</b>	<b>119,824,192</b>	<b>178,132,532</b>	<b>189,758,980</b>
<b>B. Intangible Assets</b>										
Computer Software	WDV	40.00%	2,195,685	-	2,195,685	1,784,653	164,413	1,949,066	<b>246,619</b>	411,032
<b>Total</b>			<b>2,195,685</b>	<b>-</b>	<b>2,195,685</b>	<b>1,784,653</b>	<b>164,413</b>	<b>1,949,066</b>	<b>246,619</b>	<b>411,032</b>
<b>Previous Year</b>			<b>2,195,685</b>	<b>-</b>	<b>2,195,685</b>	<b>1,510,631</b>	<b>274,022</b>	<b>1,784,653</b>	<b>411,032</b>	<b>685,054</b>

(SLM = STRAIGHT LINE METHOD)

(WDV = WRITTEN DOWN VALUE METHOD)



# Cupid Limited

## Accompanying notes to the financial statements for the year ended 31st March, 2012

### NOTE NO. 10

#### NON-CURRENT INVESTMENTS

Particulars	As at 31st March,2012	As at 31st March,2011
<b>A. INVESTMENT IN SUBSIDIARY COMPANY</b>		
(I) 9,800 (Pre. Yr : NIL) Equity Share of Rs.10 each in Cupid Medical Research Centre Pvt. Ltd.	98,000	98,000
<b>SUB TOTAL</b>	<b>98,000</b>	<b>98,000</b>
<b>B. INVESTMENT IN UNQUOTED EQUITY INSTRUMENTS</b>		
(I) 6500 (Pre. Yr : 6500) Equity Shares on Rs. 10 each in Shri Sai Shakshi Hotels Pvt. Ltd.	650,000	650,000
(II) 9800 (Pre. Yr : 9,800) Equity Shares of Rs. 10 each in Arihantsidh Properties Pvt. Ltd.	2,400,000	2,400,000
(III) 25,000 (Pre. Yr : NIL) Equity Shares of Rs. 10 each in Ramniyati Realities Private Limited	750,000	-
(IV) 20,000 (Pre. Yr : NIL) Equity Shares of Rs. 10 each in Sanmati Realities Pvt. Ltd.	800,000	-
<b>SUB TOTAL</b>	<b>4,600,000</b>	<b>3,050,000</b>
<b>TOTAL (A + B)</b>	<b>4,698,000</b>	<b>3,148,000</b>

Particulars	As at 31st March,2012	As at 31st March,2011
Aggregate amount of unquoted investments	4,698,000	3,148,000



# Cupid Limited

## Accompanying notes to the financial statements for the year ended 31st March, 2012

### NOTE NO. 11

#### OTHER NON-CURRENT ASSETS

Particulars	As at 31st March,2012	As at 31st March,2011
Security Deposit for Services and Property	3,151,902	3,150,902
<b>Total</b>	<b>3,151,902</b>	<b>3,150,902</b>

### NOTE NO. 12

#### INVENTORIES

Particulars	As at 31st March,2012	As at 31st March,2011	As at 31st March,2010
a. Raw Materials	6,909,020	2,380,333	1,951,883
b. Fuel	280,215	269,187	219,542
c. Packing Materials	6,745,135	4,726,512	2,822,197
d. Stores and spares	1,041,748	354,545	347,815
e. Work-in-progress	1,741,143	578,412	464,951
f. Finished goods	22,739,151	19,982,717	12,905,408
g. Gold / Gold Jewellery	-	1,223,110	1,223,110
<b>Total</b>	<b>39,456,412</b>	<b>29,514,816</b>	<b>19,934,906</b>

### NOTE NO. 13

#### TRADE RECEIVABLES

Particulars	As at 31st March,2012	As at 31st March,2011
<b>Trade receivables outstanding for a period less than six months</b> Unsecured, considered good	25,156,893	17,709,825
<b>SUB - TOTAL</b>	<b>25,156,893</b>	<b>17,709,825</b>
<b>Trade receivables outstanding for a period exceeding six months</b> Unsecured, considered good	1,826,004	976,302
<b>SUB - TOTAL</b>	<b>1,826,004</b>	<b>976,302</b>
<b>TOTAL</b>	<b>26,982,897</b>	<b>18,686,127</b>



# Cupid Limited

## Accompanying notes to the financial statements for the year ended 31st March, 2012

### NOTE NO. 14

#### CASH AND CASH EQUIVALENT

Particulars	As at 31st March,2012	As at 31st March,2011
a. Balance with banks	1,121,723	383,854,
b. Cash on hand	978,006	954,243
c. Bank Deposit	275,984	358,037
<b>TOTAL</b>	<b>2,375,713</b>	<b>1,696,134</b>

### NOTE NO. 15

#### SHORT-TERM LOANS AND ADVANCES

Particulars	As at 31st March,2012	As at 31st March,2011
Advance to Suppliers	2,415,943	6,215,311
Advance taxes paid	164,076	231,273
Advances recoverable in cash or in kind or for the value to be received	13,758,770	5,974,321
<b>TOTAL</b>	<b>16,338,789</b>	<b>12,420,905</b>

### NOTE NO. 16

#### OTHER CURRENT ASSETS

Particulars	As at 31st March,2012	As at 31st March,2011
Sales Tax Refund Claimable	1,295,509	688,214
Interest receivable on deposits given	57,131	45,606
<b>TOTAL</b>	<b>1,352,640</b>	<b>733,820</b>



# Cupid Limited

Accompanying notes to the financial statements for the year ended 31st March, 2012

## NOTE NO. 17

### REVENUE FROM OPERATIONS

Particulars	Year Ended 31st March,2012	Year Ended 31st March,2011
<b>Manufactured Goods</b>		
Domestic Sales	221,828,078	172,194,344
Export Sales	35,277,862	18,915,789
<b>Traded Goods</b>		
Domestic Sales	2,670,000	-
<b>TOTAL</b>	<b>259,775,940</b>	<b>191,110,133</b>

## NOTE NO. 18

### OTHER INCOME

Particulars	Year Ended 31st March,2012	Year Ended 31st March,2011
DEPB Income	896,294	1,309,885
Exchange rate differential	1,098,864	-
Bad Debts Recovered	-	600,000
Excise Refund (Net)	152,702	136,135
Interest Income	296,321	785,764
Insurance claim from received	39,053	-
Credit Balance Written Back	29,022	1,439
<b>TOTAL</b>	<b>2,512,256</b>	<b>2,833,223</b>



# Cupid Limited

Accompanying notes to the financial statements for the year ended 31st March, 2012

**NOTE NO. 19**

**COST OF MATERIAL CONSUMED**

Particulars	As at 31st March,2012	As at 31st March,2011
<b>RAW MATERIALS</b>		
Opening Stock of Raw Materials	2,380,333	1,951,883
Add : Purchases of Raw Materials	110,293,836	80,340,358
Less : Chlosing Stock of Raw Materials	6,909,020	2,380,333
<b>SUB - TOTAL</b>	<b>105,765,149</b>	<b>79,911,908</b>
<b>FURANCE OIL</b>		
Opening Stock of Furance Oil	269,187	219,542
Add : Purchases of Furance Oil	5,536,148	3,460,833
Less : Closing Stock of Furance Oil	280,215	269,187
<b>SUB - TOTAL</b>	<b>5,525,120</b>	<b>3,411,188</b>
<b>PACKING MATERIAL</b>		
Opening Stock of Packing Material	4,726,512	2,822,197
Add : Purchases of Packing Material	53,859,558	35,075,128
Less : Closing Stock of Packing Material	6,745,135	4,726,512
<b>SUB - TOTAL</b>	<b>51,840,935</b>	<b>33,170,813</b>
<b>STORE AND CONSUMABLES</b>		
Opening Stock of Store and Consumables	354,545	347,815
Add : Purchases of Store and Consumables	5,737,122	4,411,102
Less : Closing Stock of Store and Consumables	1,041,748	354,545
<b>SUB - TOTAL</b>	<b>5,049,919</b>	<b>4,404,372</b>
<b>LESS : Refund of Taxes and Duties</b>	<b>652,110</b>	<b>450,000</b>
<b>TOTAL</b>	<b>167,529,013</b>	<b>120,448,281</b>

**NOTE NO. 20**

**CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS**

Particulars	As at 31st March,2012	As at 31st March,2011
<b>Opening Inventory</b>		
Finished Goods	19,982,717	12,905,408
Trading Finished Goods	1,223,110	1,223,110
Work - In - Progress	578,412	464,951
	<b>21,784,239</b>	<b>14,593,469</b>
<b>Closing Inventory</b>		
Finished Goods	22,739,151	19,982,717
Trading Finished Goods	-	1,223,110
Work-In-Progress	1,741,143	578,412
	<b>24,480,294</b>	<b>21,784,239</b>
<b>TOTAL</b>	<b>(2,696,055)</b>	<b>(7,190,770)</b>



# Cupid Limited

Accompanying notes to the financial statements for the year ended 31st March, 2012

## NOTE NO. 21 MANUFACTURING EXPENSES

Particulars	Year Ended 31st March, 2012	Year Ended 31st March, 2011
Power & Fuel	22,901,277	11,731,447
Water Charges	341,287	197,380
Clearing, Freight and Transportation	2,767,315	1,679,389
Packing and Material Handling Expenses	6,052,933	3,705,578
Testing & Inspection Charges	706,385	436,262
<b>Repairs and Maintenance</b>		
(i) Plant & Machinery	887,059	343,015
(ii) Factory Building	336,168	39,829
(iii) Others	502,389	976,265
<b>TOTAL</b>	<b>34,494,813</b>	<b>19,109,165</b>

## NOTE NO. 22 EMPLOYEE BENEFIT EXPENSES

Particulars	Year Ended 31st March, 2012	Year Ended 31st March, 2011
Managerial remuneration	764,300	560,000
Salaries, Wages and incentives	15,891,060	13,360,110
Contributions to -		
Provident fund	954,387	748,704
Gratuity fund contributions	603,303	191,402
Other funds	3,748	5,062
Other benefits	80,444	21,249
Staff welfare expenses	942,710	829,823
<b>TOTAL</b>	<b>19,239,952</b>	<b>15,716,350</b>



# Cupid Limited

## Accompanying notes to the financial statements for the year ended 31st March, 2012

### NOTE NO. 23

#### ADMINISTRATIVE, SELLING AND OTHER EXPENSES

Particulars	Year Ended 31st March,2012	Year Ended 31st March,2011
Travelling and Conveyance	3,193,229	4,573,127
Rent, Rates, Taxes and Insurances	1,982,968	1,198,229
Printing and Stationary	544,615	306,201
Computer Maintanance and Software	96,007	149,697
Professional Charges	452,321	741,248
Audit Fees	56,180	37,000
Postage And Telephone	1,683,572	1,046,176
Security Charges	768,960	693,059
Advertisement	76,192	2,909,221
Clearing, Freight & Transportation	2,060,471	1,411,933
Bad Debts	–	22,989
Commission & Brokerage	395,693	–
Research and Developement of Product	398,373	767,712
Selling & Distribution Expenses	490,697	1,177,272
Misc. Expenses	2,027,782	2,067,415
<b>TOTAL</b>	<b>14,173,060</b>	<b>17,101,279</b>

### NOTE NO. 24

#### FINANCE COST

Particulars	Year Ended 31st March,2012	Year Ended 31st March,2011
Interest Expenses on Banks Borrowing	7,452,885	8,634,862
Interest on other Borrowing / Credits	854,082	449,849
Bank Charges and Commission	315,065	298,258
<b>TOTAL</b>	<b>8,622,032</b>	<b>9,382,969</b>



## Cupid Limited

Accompanying notes to the financial statements for the year ended 31st March, 2012

**NOTE NO. 25**  
**EARNINGS PER EQUITY SHARES**

Particulars	As at 31st March,2012	As at 31st March,2011
<b>Basic Earnings per Share</b>		
Profit/(Loss) after taxes attributable to Equity shareholders	5,864,083	3,879,989
Weighted average number of equity shares	9710000	8972900
<b>Basic Earnings Per Share (in Rs)</b>	0.60	0.43
<b>Face Value per Share</b>	10.00	10.00
<b>Dilutive Earnings per Share</b>		
Profit/(Loss) after taxes attributable to Equity shareholders	5,864,083	3,879,989
Weighted average number of equity share after considering potential equity shares #	11115000	9615000
<b>Dilutive Earnings per Share (in Rs.)</b>	0.53	0.40

# The Company issued 15,00,000 convertible warrants at price of Rs. 10/- to be converted to equal number of Equity Shares of face value of Rs. 10/- each as per shareholder approval at EGM 20th July 2011, of which 14,05,000 convertible warrants are outstanding as on 31st March, 2012.

# The Company issued 11,50,000 convertible warrants at price of Rs. 10.50 to be converted to equal number of Equity Shares face value Rs. 10/- each as per shareholder approval at EGM 5th June 2010, of which 6,42,100 convertible warrants are outstanding as on 31st March, 2011.



## Accompanying notes to the financial statements for the year ended 31st March, 2012

### NOTE NO. 26

#### OTHER NOTES FOR FINANCIAL STATEMENTS

##### A. Other Notes to the Balance Sheet

1. Company has no Contingent Liabilities as on 31st March, 2012.
2. In view of the insufficient information from the suppliers regarding their status as SSI units, the amounts due to Small Scale Industrial undertaking cannot be ascertained.
3. All of the assets other than fixed assets and non-current investments, have been carried at cost of acquisition.
4. There was no impairment loss on Fixed Assets on the basis of review carried out but the Management in accordance with Accounting Standard 28 issued by the Institute of Chartered Accountants of India.

##### B. Other Notes to the Statement of Profit and Loss

1. Details regarding Imported and Indigenous Material Consumed

##### (a) Consumption of raw materials :-

Particulars	Year Ended 31st March, 2012		Year Ended 31st March, 2011	
	Amt in Lacs	Percentage	Amt in Lacs	Percentage
Imported	NILL	NILL	NILL	NILL
Indigenous	1057.65	100%	799.11	100%
<b>TOTAL</b>	<b>1057.65</b>	<b>100%</b>	<b>799.11</b>	<b>100%</b>

##### (b) Consumption of Furnace Oil :-

Particulars	Year Ended 31st March, 2012		Year Ended 31st March, 2011	
	Amt in Lacs	Percentage	Amt in Lacs	Percentage
Imported	NILL	NILL	NILL	NILL
Indigenous	55.25	100%	34.11	100%
<b>TOTAL</b>	<b>55.25</b>	<b>100%</b>	<b>34.11</b>	<b>100%</b>



# Cupid Limited

## Accompanying notes to the financial statements for the year ended 31st March, 2012

### (c) Consumption of Packing Material :-

Particulars	Year Ended 31st March, 2012		Year Ended 31st March, 2011	
	Amt in Lacs	Percentage	Amt in Lacs	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	518.40	100%	331.71	100%
<b>TOTAL</b>	<b>518.40</b>	<b>100%</b>	<b>331.71</b>	<b>100%</b>

### (d) Consumption of Stores & Consumables :-

Particulars	Year Ended 31st March, 2012		Year Ended 31st March, 2011	
	Amt in Lacs	Percentage	Amt in Lacs	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	50.49	100%	44.04	100%
<b>TOTAL</b>	<b>50.49</b>	<b>100%</b>	<b>44.04</b>	<b>100%</b>

## 2. Particulars regarding Capacities, Turnover & Raw Material Consumption

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

Particulars	Year Ended 31st March, 2012		Year Ended 31st March, 2011	
	Qty	Amt in Lacs	Qty	Amt in Lacs
Latex (KGS)	643106	903.49	578196	694.74
Chemicals	N. A.	106.25	N. A.	104.39
Furnace Oil (LITRE)	124782	55.25	128237	34.11

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

Particulars	Year Ended 31st March, 2012	Year Ended 31st March, 2011
i) Production Capacity of Rubber prophylactics	503.51 Million pcs p.a.	503.51 Million pcs p.a.
ii) Production, Turnover and Stock of Rubber prophylactics (Quantity in Gross)		
Opening Stock	1,59,859	1,04,022
Production	13,96,750	10,68,063
Sales (Net)	13,89,394	10,12,226
Closing Stock	1,66,675	1,59,859



## Cupid Limited

### Accompanying notes to the financial statements for the year ended 31st March, 2012

3. Traveling expenses includes Rs. 4.68 Lacs (previous year Rs. 19.76 Lacs) spent on Foreign Travel.
4. Earnings & Outflow in foreign currency (on accrual basis) :-

Particulars	Year Ended 31st March, 2012	Year Ended 31st March, 2011
	Amt in Lacs	Amt in Lacs
<b><u>EARNINGS</u></b>		
Export on F. O. B basis	348.69	189.15
<b>TOTAL EARNINGS</b>	<b>348.69</b>	<b>189.15</b>
<b><u>OUTFLOW</u></b>		
Professional and consultaion fees	NIL	0.89
Machinery / Equipment Purchases	2.93	NIL
<b>TOTAL OUTFLOW</b>	<b>2.93</b>	<b>0.89</b>

5. Auditor Remuneration

Particulars	Year Ended 31st March, 2012 *	Year Ended 31st March, 2011 *
As Auditor	44944	27000
For taxation matter	11236	10000
For Other services	16545	11030
<b>TOTAL</b>	<b>72725</b>	<b>48030</b>

\* Inclusive of Service Tax.



# Cupid Limited

## Accompanying notes to the financial statements for the year ended 31st March, 2012

### C. Other Notes to the Financial Statements

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

##### i) Key Personnel & Relatives

a) Mr. Omprakash Garg -: Chairman

b) Mr. Durgesh Garg -: Director

c) Mr. Pawan Bansal -: Sister's son of Mr Omprakash Garg

##### ii) Transaction with Related Parties

No.	Parties	Details	2011-12	2010-11
			(Amt in Rs Lacs)	
a.	Mr. Omprakash Garg	Loan Taken during the year	-	20.96
		Loan Repaid during the year	-	24.00
b.	Mr. Sureshchand Garg (B/o of Mr. Omprakash)	Subscribed the convertible warrants of the company issued on preferential basis	72.25	100.19
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	37.93	5.00
		Loan Repaid during the year	20.00	7.50
e.	Mr. Durgesh Garg *	Director Remuneration paid during the year	7.64	5.40
f.	Mr. Pawan Bansal (Relative of Mr. Omprakash)	Salary	6.75	5.75

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

No.	Parties	Receivable / Payable	2011-12	2010-11
			(Amt in Rs Lacs)	
a.	Mr. Omprakash Garg	Payable	2.87	2.87
b.	Mr. Sureshchand Garg	Payable	18.35	0.41
c.	Mrs. Veena Garg	Payable	2.88	2.16
d.	Anmol Jewelers (Proprietor firm of Sureshchand Garg)	Payable	14.50	14.50



# Cupid Limited

## Accompanying notes to the financial statements for the year ended 31st March, 2012

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

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

### In terms of our report of even date

#### For BHATTER & COMPANY

Chartered Accountants  
Firm Reg. No. 131092W

#### DAULAL H. BHATTER

Proprietor  
Membership No. 16937

Place : Mumbai  
Date : 17th August, 2012

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

#### OMPRAKASH GARG

Chairman & Executive Director

#### PRADEEP JAIN

Independent Director



# Cupid Limited

## ANNEXURE 'A'

<b>I Registration Details</b>	
( i ) Registration No (CIN No.)	L25193MH1993PLC070846
( ii ) State Code No	11
( iii ) Balance Sheet Date	31-03-2012
<b>II CAPITAL RAISED DURING THE YEAR (Amount in Rs.)</b>	
( i ) Public Issue	-
( ii ) Right Issue	-
( iii ) Bonus Issue	-
( iv ) Private Placement / Warrants	7,371,000
<b>III POSITION OF MOBILISATION &amp; DEVELOPMENT OF FUND (Amount in Rs.)</b>	
( i ) Total Equity and Liabilities	262,773,529
( ii ) Total Assets	262,773,529
<b>EQUITY AND LIABILITES</b>	
( i ) Share Capital	97,100,000
( ii ) Reserve and Surplus / Profit and Loss A/c (Debit)	65,834,177
( iii ) Money Recd Against Shares Warrant	3,512,500
<b>NON CURRENT LIABILITES</b>	
( iv ) Long Term Borrowings	4,583,326
( v ) Net Deferred Tax (Net Liability)	8,064,566
<b>CURRENT LIABILITES</b>	
( vi ) Short Term Borrowings	23,272,533
( vii ) Trade Payables	24,109,709
( viii ) Other Current Liabilities	32,000,121
( ix ) Shot Term Provisions	4,296,597
<b>ASSETS</b>	
<b>NON CURRENT ASSETS</b>	
( i ) Fixed Assets	168,417,176
( ii ) Non Current Investements	4,698,000
( iii ) Other Non Current Assets	3,151,902
<b>CURRENT ASSETS</b>	
( iv ) Inventories	39,456,412
( v ) Trade Receivables	26,982,897
( vi ) Cash and Cash Equivalentts	2,375,713
( vii ) Short Term Loans and Advances	16,338,789
( viii ) Other Current Assets	1,352,640
<b>IV Performance of Company (Amount in Rs.)</b>	
( i ) Turnover (including other income)	262,288,196
( ii ) Total Expenditure	255,089,734
( iii ) Profit / (Loss) Before Tax	7,198,462
( iv ) Profit / (Loss) After Tax	5,864,083
( v ) Earning Per Share (Amount in Rs)	0.60
( vi ) Dividend Rate (%)	-
<b>V Generic Names of Principal Product of Company (as per monetary terms)</b>	
( i ) Item Code No.	401410.01
Products Description	Rubber Prophylactics



**Cupid Medical & Research Centre Pvt. Ltd.**

**CUPID  
MEDICAL AND RESEARCH  
CENTRE  
PRIVATE LIMITED**

**4th ANNUAL REPORT 2011 - 2012**



**Cupid Medical & Research Centre Pvt. Ltd.**

**CUPID MEDICAL AND RESEARCH CENTRE  
PRIVATE LIMITED**

**4th ANNUAL REPORT 2011-2012**

**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 4th Annual General Meeting of the shareholders of Cupid Medical and Research Centre Private Limited will be held on Friday, 28<sup>th</sup> September, 2012 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 2012 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 : 17<sup>th</sup> August, 2012



## Cupid Medical & Research Centre Pvt. Ltd.

### **REPORT OF BOARD OF DIRECTORS**

Your Directors herewith present the **4<sup>th</sup> Annual Report** of the Company for the year ended 31st March, 2012.

#### **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 2011 - 2012, 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 : 17th August, 2012



## Cupid Medical & Research Centre Pvt. Ltd.

**BHATTER & COMPANY**

Chartered Accountants

Tel – 2285 3039

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

### AUDITOR'S REPORT

We have audited the attached Balance Sheet of M/s Cupid Medical and Research Centre Private Limited as at 31<sup>st</sup> March 2012 and also the Statement of Profit & Loss Account for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

The paid up capital of the company does not exceed rupees 50 Lacs 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 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31<sup>st</sup> March, 2012 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 31<sup>st</sup> March, 2012.
  - and
  - ii) In case of the Statement of Profit & Loss Account of the Loss of the company for the year ended on that date.

**For BHATTER & COMPANY**  
Chartered Accountants.

Place : Mumbai  
Date : 17th August, 2012

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



## Cupid Medical & Research Centre Pvt. Ltd.

### Balance Sheet as at 31st March, 2012

Particulars	Note No.	As at 31-Mar-2012 (Amount in Rs)	As at 31-Mar-2011 (Amount in Rs)
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share capital	1	100,000	100,000
(b) Reserves and surplus	2	(15,106)	(11,264)
		<u>84,894</u>	<u>88,736</u>
<b>(3) Current liabilities</b>			
(a) Short-term provisions	3	1,127	1,103
		<u>1,127</u>	<u>1,103</u>
	<b>TOTAL</b>	<u><u>86,021</u></u>	<u><u>89,839</u></u>
<b>II. ASSETS</b>			
<b>(2) Current Assets</b>			
(a) Cash and cash equivalents	4	71,551	73,302
(b) Other Current assets	5	14,470	16,537
	<b>TOTAL</b>	<u><u>86,021</u></u>	<u><u>89,839</u></u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS, AS UNDER

Significant Accounting Policies

Notes to the Balance Sheet 01 to 05

Other Notes 7

**In terms of our report of even date**

**For BHATTER & COMPANY**

Chartered Accountants  
Firm Reg. No. 131092W

**DAULAL H. BHATTER**

Proprietor  
Membership No. 16937

Place : Mumbai

Date : 17th August, 2012

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

**PAWAN BANSAL**  
Director

**DURESH GARG**  
Director

Place : Mumbai

Date : 17th August, 2012



## Cupid Medical & Research Centre Pvt. Ltd.

### Statement of Profit and Loss For the Year Ended 31st March, 2012

Particulars	Note No.	Year Ended 31-Mar-2012 (Amount in Rs)	Year Ended 31-Mar-2011 (Amount in Rs)
I. Revenue from operations		-	-
II. Other income		-	-
III. <b>Total Revenue ( I + II )</b>		<u>-</u>	<u>-</u>
IV. Expenses :			
Administrative, Selling and Other Expenses	6	3,842	4,203
<b>Total Expenses</b>		<u><b>3,842</b></u>	<u><b>4,203</b></u>
V. Profit before tax ( III - IV )		(3,842)	(4,203)
VI. Tax Expenses		-	-
VII. Profit / (Loss) for the year		<u><b>(3,842)</b></u>	<u><b>(4,203)</b></u>
VIII. Earnings per equity share :			
(1) Basic		-	-
(2) Diluted		-	-

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS, AS UNDER

Significant Accounting Policies

Notes to the Statement of Profit & Loss

06

Other Notes

7

#### In terms of our report of even date

#### For BHATTER & COMPANY

Chartered Accountants  
Firm Reg. No. 131092W

#### DAULAL H. BHATTER

Proprietor  
Membership No. 16937

Place : Mumbai  
Date : 17th August, 2012

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

**PAWAN BANSAL**  
Director

**DURESH GARG**  
Director

Place : Mumbai  
Date : 17th August, 2012



## Cupid Medical & Research Centre Pvt. Ltd.

Accompanying notes to the financial statements for the year ended 31st March, 2012

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. General Information

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

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

#### 2. Significant Accounting Policies

##### a) Basis of Preparation of Financial Statements

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

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

These financial statemnets are presented in Indian rupees.

##### b) Use of estimates

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

##### c) Other Current Assets / Miscellaneous Expenditure

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

##### d) Contingent Liabilities

The company has no contingent Liabilities during the period.



## Cupid Medical & Research Centre Pvt. Ltd.

### Accompanying notes to the financial statements for the year ended 31st March, 2012

#### NOTE NO. 1

#### SHARE CAPITAL

a. Details of authorised, issued and subscribed share capital

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	No. of Equity Shares held	Percentage	No. of Equity Shares held	Percentage
<b>Authorised Capital</b> 10,000 (10,000) Equity Shares of Rs. 10 each	100,000		100,000	
<b>Issued Capital, Subscribed and Paid up</b> 10,000 (10,000) Equity Shares of Rs. 10/- each	100,000		100,000	
<b>Total</b>	<b>100,000</b>		<b>100,000</b>	

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

Name of Shareholder	Relationship	As at 31st March, 2012		As at 31st March, 2011	
		No. of Equity Shares held	Percentage	No. of Equity Shares held	Percentage
Cupid Limited	Holding Company	9800	98%	9800	98%

c. Reconciliation of number of Equity shares

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Shares Issued during the year	-	0	-	0
Share outstanding at the end of the year	10,000	100,000	10,000	100,000



## Cupid Medical & Research Centre Pvt. Ltd.

Accompanying notes to the financial statements for the year ended 31st March, 2012

### NOTE NO. 2

#### RESERVES AND SURPLUS

Particulars	As at 31st March,2012	As at 31st March,2011
Surplus / Profit & Loss Account (DEBIT)		
Opening balance	(11,264)	(7,061)
( + ) Net profit / (Net Loss) For the current year	(3,842)	(4,203)
Closing balance	(15,106)	(11,264)

### NOTE NO. 3

#### SHORT-TERM PROVISIONS

Particulars	As at 31st March,2012	As at 31st March,2011
Accrual for Expenses	1,127	1,103
<b>TOTAL</b>	<b>1,127</b>	<b>1,103</b>

### NOTE NO. 4

#### CASH AND CASH EQUIVALENT

Particulars	As at 31st March,2012	As at 31st March,2011
a. Balance with banks	5,534	6,664
b. Cash on hand	66,017	66,638
<b>TOTAL</b>	<b>71,551</b>	<b>73,302</b>

### NOTE NO. 5

#### OTHER CURRENT ASSETS

Particulars	As at 31st March,2012	As at 31st March,2011
Miscellaneous Exp.	14,470	16,537
<b>TOTAL</b>	<b>14,470</b>	<b>16,537</b>

### NOTE NO. 6

#### ADMINISTRATIVE, SELLING AND OTHER EXPENSES

Particulars	Year Ended 31st March,2012	Year Ended 31st March,2011
Travelling and Conveyance	47	32
Audit Fees	1,124	1,100
Sundry Expenses	604	1,004
Misc Expenses w/off	2,067	2,067
<b>TOTAL</b>	<b>3,842</b>	<b>4,203</b>



**Accompanying notes to the financial statements for the year ended 31st March, 2012**

**NOTE NO. 7**

**OTHER NOTES FOR FINANCIAL STATEMENTS**

1. Auditors Remuneration

Particulars	As at 31st March,2012*	As at 31st March,2011*
As Audit fees and Other services	1124	1100
<b>TOTAL</b>	<b>1124</b>	<b>1100</b>

\* Inclusive of Service Tax.

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

**In terms of our report of even date**

**For BHATTER & COMPANY**

Chartered Accountants  
Firm Reg. No. 131092W

**DAULAL H. BHATTER**

Proprietor  
Membership No. 16937

Place : Mumbai

Date : 17th August, 2012

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

**PAWAN BANSAL**  
Director

**DURESH GARG**  
Director



## Cupid Medical & Research Centre Pvt. Ltd.

### ANNEXURE 'A'

<b>I</b>	<b>Registration Details</b>	
(i)	Registration No. (CIN No.)	U85100MH2008PTC186423
(ii)	State Code No.	11
(iii)	Balance Sheet Date	31-03-2012
<b>II</b>	<b>CAPITAL RAISED DURING THE YEAR (Amount Rs in Thousands)</b>	
(i)	Public Issue	-
(ii)	Right Issue	-
(iii)	Bonus Issue	-
(iv)	Private Placement / Warrants	-
<b>III</b>	<b>POSITION OF MOBILISATION &amp; DEVELOPMENT OF FUND (Amount in Rs.)</b>	
(i)	Total Equity and Liabilities	86,021
(ii)	Total Assets	86,021
	<b>EQUITY AND LIABILITES</b>	
(i)	Share Capital	100,000
(ii)	Resrve and Surplus / Profit and Loss A/c (Debit)	(15,106)
(iii)	Money Recd Against Shares Warrant	-
	<b>NON CURRENT LIABILITES</b>	
(iv)	Long Term Borrowings	-
(v)	Net Deferred Tax (Net Liability)	-
	<b>CURRENT LIABILITES</b>	
(vi)	Short Term Borrowings	-
(vii)	Trade Payables	-
(viii)	Other Current Liabilities	-
(ix)	Short Term Rovisions	1,127
	<b>ASSETS</b>	
	<b>NON CURRENT ASSETS</b>	
(i)	Fixed Assets	-
(ii)	Non Current Investments	-
(iii)	Other Non Current Assets	-
	<b>CURRENT ASSETS</b>	
(iv)	Inventories	-
(v)	Trade Receivables	-
(vi)	Cash and Cash Equivalents	71,551
(vii)	Short Term Loans and Advances	-
(viii)	Other Current Assets	14,470
<b>IV</b>	<b>Performance of Company (Amount in Rs. Thousands)</b>	
(i)	Turnover (including other income)	-
(ii)	Total Expenditure	3,842
(iii)	Profit / (Loss) Before Tax	(3,842)
(iv)	Profit / (Loss) After Tax	(3,842)
(v)	Earning Per Share (Amount in Rs.)	-
(vi)	Divident Rate (%)	-
<b>V</b>	<b>Generic Names of Principal Product of Company (as per monetary terms)</b>	
(i)	Item Code No.	N. A.
	Products Description	Medical Research



# Cupid Medical & Research Centre Pvt. Ltd.

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 19<sup>th</sup> Annual General Meeting of the Company being held at 103, Sona Chambers, 507/509, J. S. S. Road, Mumbai – 400 002, Maharashtra (India) on Friday 28th September, 2012 at 10.15 a.m.

**Name & Address of Shareholder :**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature of the Member / Proxy

**No. of Shares held :** \_\_\_\_\_

**Folio No. / DP ID & Client ID:** \_\_\_\_\_

**Note:** Shareholders/Proxy holders are requested to bring the Annual Report and the Attendance Slip duly completed when they come to the meeting. Attendance Slip be hand over at the Entrance after affixing signature on it.



# 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 19<sup>th</sup> Annual General Meeting of the Company to be held on Friday 28th  
September, 2012 at 10.15 a.m.. and at any adjournment thereof.

Dated this.....day of.....2012.

Affix  
Revenue  
Stamp of  
Rs. 1/-

**Note:** The Proxy form duly completed should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.