

Cupid Rubbers Limited



9th ANNUAL REPORT 2001-2002

For CUPID RUBBERS LTD.
P. S. S. S.
DIRECTOR

CERTIFIED TRUE COPY

Nineth ANNUAL REPORT

BOARD OF DIRECTORS

MR OM PRAKASH GARG. - CHAIRMAN
MR S.RAMALINGAM.NOMANEE DIRECTOR-IIBI
MR DAYANAND CHAUDHARY
MR PAWAN BANSAL - EXECUTIVE DIRECTOR
MR DINESH PACHORI

AUDITORS

BHATTER & COMPANY
CHARTERED ACCOUNTANTS
MUMBAI

BANKERS

BANK OF INDIA

FACTORY & REGISTERED OFFICE

A-68, MIDC, SINNAR,
VILLAGE MALEGAON,
DIST NASHIK - 422 103 (MAH)

CORPORATE OFFICE

103, SONA CHAMBERS
507, 509 J.S.S. ROAD,
MUMBAI - 400 002

SHARE TRANSFER AGENTS

BIGSHARE SERVICES (P) LIMITED

E/2, ANSA INDUSTRIAL ESTATE,
SAKIVIHAR ROAD, SAKI NAKA,
ANDHERI (E), MUMBAI - 400 001

STOCK EXCHANGE

THE STOCK EXCHANGE, MUMBAI,
PHIROZE JEEJEEBHOY TOWERS,
DALAL STREET, MUMBAI-400 001

Notice

NOTICE is hereby given that the Ninth Annual General meeting of the members of Cupid Rubbers Ltd will be held at A-68, MIDC Sinnar, Maharashtra (Malegaon). Dist Nashik-422 103 . (mah) on Monday 30th September, 2002 at 10.30 a.m. to transact the following business.

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the Audited Balances Sheet of the Company as at 31st March, 2002 and Profit and loss Account of the company for the period ended on that date and reports of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr O.P Garg who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint a Director in place of Mr Dinesh Pachori who retires by rotation and being eligible offers himself for re-appointment.
- 4) To appoint Auditors of the company and to fix their remuneration.

Regd Office:
A-68, MIDC, Sinnar, Malegaon,
Nashik-422 103, (India).

BY ORDER OF THE BOARD

Place : Mumbai,
Dated : 2nd September, 2002

Pawan Bansal
Executive Director

NOTES :

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTILED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxies in order to be effective must be received at the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.
- 2) The Register of members and share transfer books of the Company shall remain closed from Monday, 23rd September 2002, to Monday, 30th September, 2002.

Director's Report :

Your Directors have pleasure in presenting the Ninth Annual Report for the six months ended 31st March, 2002.

OPERATIONS :

The Board of Directors shortened the Accounting year of the company from October 2001 to March 2002 comprising of six months to uniform the accounting year for the purposes of income tax and company law.

During the said period the company achieved a turn over of Rs 275.05 Lacs as compared to Rs 171.92 Lacs during the previous year. After providing all the charges, the company suffered a loss of Rs 1.91 Lacs as compared to Rs 116.27 Lacs during the previous year.

The company's application for declaring a company as sick undertaking under the provisions of Sick Industrial Companies (Special Provision) Act, 1985 had been rejected by the Bench constituted under the Act. However the company has made an appeal against the order of the Bench before the Appellate Authority under the Act and the appeal is pending.

The company is further negotiating with its Banker and financial institution from whom the company has borrowed money for settlement of their dues in one time settlement. Once their dues are settled the interest cost will be reduced substantially and it will increase the profitabilities of the company. Accordingly the company has not made any provision for interest payable to them amounting to Rs 110.40 lacs for the period under review in anticipation of acceptances of our one time proposal by them. The company will take few years to write off its accumulated losses and turn its corner.

However in view of the loss during the period the board do not recommend payment of any dividend for the year 2001-2002.

FUTURE PROSPECTS:

Presently the company being an 100% EOU which restrict to target local market. Therefore it has been decided to debond the company from EOU under EPCG scheme. After debonding of the unit the company will be able to participate in the government tenders and market its product locally. The company is also receiving enquiries for exports to country like Russia etc. with the help of local sales and exports the company will increase its turnover and profits.

DIRECTORS:

Mr O.P Garg and Mr Dinesh Pachori retire by rotation but being eligible, offer themselves for reappointment.

During the year Mr Murarilal Tulsyan ceased to be a Director of the company due to sudden death.

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:

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

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. The Company has established in house R & Dhansanchay Experts & Trading Pvt Ltd facility for technology absorption and adoption.

FOREIGN EXCHANGE EARNING & OUTGO :

The company has earned foreign exchange of Rs 274.91 Lacs through exports and spent foreign exchange of Rs 56.62 Lacs towards Loan repayment and interest on foreign currency term loan.

FIXED DEPOSIT:

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

Auditors :

M/s Bhattar Company Chartered Accountants, Mumbai auditors of the Company retire and being eligible offer themselves for re-appointment.

DIRECTORS 'RESPONSIBILITY STATEMENT

- i. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- ii. That the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true financial year 2001-2002 and of the profit or loss of the company for that period;
- iii. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. That the directors had prepared the annual accounts on a going concern basis."

LISTING FEES

The company has paid listing fees for the year 2002 – 2003

AUDITORS REPORT

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

CONSTITUTION OF AUDIT COMMITTEE

As required under the provisions of sections 292A of the Companies Act, 1956 the Board of directors had constituted an Audit Committee comprising the following directors;

1. Mr Dayanand Chaudhary
2. Mr Pawan Bansal
3. Mr Dinesh Pachori

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 transaction.

The clause 49 of listing agreement with Stock Exchange Mumbai regarding corporate governance is applicable to the company during the financial year 2002-2003. The company is taking effective steps to implement the same.

For and on behalf of the Board

Pawan Bansal
Executive Director

Dinesh Pachori
Director

Place : Mumbai,
Date : 2nd September, 2002