

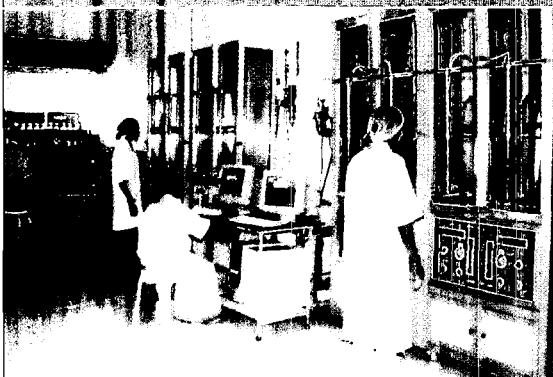
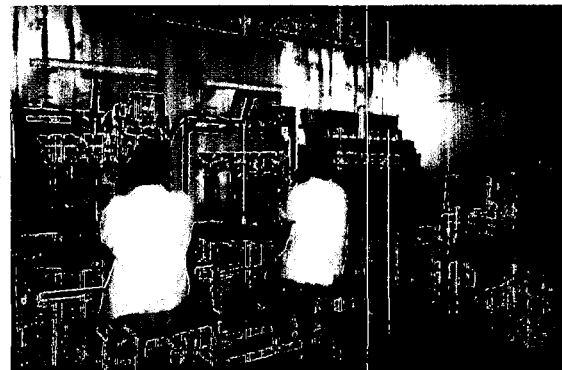


CE 0470



CUPID LIMITED

15th
Annual Report
2007-2008



We help the world play safe...



Cupid Limited

NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the shareholder of Cupid Limited will be held on Tuesday, 30th September, 2008 at 103, Sona Chambers, 507/509, J.S.S. Road, Chira Bazar, 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, 2008 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. Omprakash Garg who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Pawan Bansal who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

Special Business

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

"RESOLVED THAT Mr. Anup Garg who was appointed by the Board of Directors as Director to fill casual vacancy and who holds office upto the date of this Annual General Meeting of the Company in term of Section 262 of the Companies Act, 1956 ("Act") and in respect of whom the Company has received a notice in writing from Shareholders under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company liable to retire by rotation.

6. To consider and if thought fit to pass with or without any modifications the following resolution as Ordinary resolution:

"RESOLVED THAT Mr. Sureshchand Garg who was appointed by the Board of Directors as Additional Director of the Company with effect from 18th August 2008 and who holds office upto the date of this Annual General Meeting of the Company in term of Section 260 of the Companies Act, 1956 ("Act") and in respect of whom the Company has received a notice in writing from Shareholders under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company liable to retire by rotation.

7. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the existing guidelines issued by the Securities & Exchange Board of India (SEBI) and subject to all necessary approvals, consents, permission and/or sanctions of the Government of India, Reserve Bank of India, Foreign Investment Promotion Board, Secretariat of Industrial Approvals under the Foreign Exchange Management Act, 1999 (including any statutory modification or re-enactment thereof, for the time being in force) and



other applicable laws, and enabling provisions in the Memorandum and Articles of Association of the Company and the listing Agreement entered into by the company with Stock Exchange where the shares of the Company are listed and subject to such terms and conditions as may be determined by the Board of Directors of the Company (hereinafter referred to as "the Board", which expression shall include and committee constituted for the time being in force, thereof) and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and agreed to by the Board, the consent and approval of the company be and is hereby accorded to the Board and the Board be and is hereby authorized to offer, issue and allot on preferential basis 5,92,400 (Five Lacs Ninety Two Thousand Four Hundred only) Warrants carrying an entitlement to subscribe to an equivalent number of Equity Shares of face value of Rs.10/- each at price Rs. 16.50 per share (including a premium of Rs. 6.50 per share), being the price which is in accordance with the Guidelines for Preferential Issue contained in Chapter XIII of the SEBI (Disclosure & Investor Protection) Guidelines, 2000 as amended, to the persons mentioned below on a preferential allotment basis:

| Sr.No | Name of the Applicant (Proposed Allottee) | Category | No. of Warrants proposed to be allotted |
|-------|--|----------|--|
| 1. | Omprakash Garg | Promoter | 5,92,400 |

RESOLVED FURTHER THAT each of the aforesaid warrants be converted at the option of the holder at any time within 18 months from the date of issue, into one fully paid-up Equity Shares of **Rs. 10/-** each at a Price of **Rs. 16.50 (Rs. 10/- face value + Rs 6.50 premium)**, determined in accordance with the prevailing SEBI (Disclosure and Investor Protection) Guidelines, of the conversion price **Rs. 16.50** per share as aforesaid, a sum equivalent to **Rs. 1.65** per warrant as per SEBI (Disclosure and Investor Protection) Guidelines, will be received on the allotment of said warrants.

RESOLVED FURTHER that the aforesaid equity shares and warrants shall rank *pari passu* in all respect with the existing equity shares of the Company. The equity shares and warrants allotted on preferential basis shall be locked in from the date of their allotment for such periods as prescribed in clause 13.3.1 of SEBI Guidelines.

RESOLVED FURTHER that the equity shares and warrants to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

RESOLVED FURTHER that the relevant date as per clause 13.1.2.2 of SEBI Guidelines for the determination of applicable price for the issue of equity shares and warrants shall be thirty (30) days prior to the date of this Meeting.

RESOLVED FURTHER THAT the board be and is hereby authorised to accept any modification in the proposal as may be required by the agencies involved in such issues but subject to such conditions as the Stock Exchange/ Reserve Bank of India (RBI)/ Securities and Exchange Board of India (SEBI)/ Financial Institutions/ Investment Institutions/Insurance Companies/Corporate Debt Restructuring Cell and/ or such other appropriate authority may impose at the time of their approval as agreed by the Board.



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RESOLVED FURTHER THAT In the event of the Company making a bonus issue of shares or making rights issue of shares / convertible debentures or any other securities in whatever proportion prior to the exercise of the rights attached to the warrants, the entitlement of the holders shall stand augmented in the same proportion in which the equity share capital of the company increases as a consequences of such bonus/rights issues and that the exercise price of the warrant be adjusted accordingly, subject to such approvals as may be required.

RESOLVED FURTHER THAT for the purpose of creating, issuing, offering and allotting Warrants as well as Equity Shares of the Company as aforesaid, the Company be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects and in particulars, to settle any questions, difficulties or doubts that may arise with regard to the offering, issuing, allotting and utilizing the issue proceeds of the Warrants as well as Equity Shares of the company, as it may, in its absolute discretion, deem fit and proper.

“RESOLVED FURTHER THAT Mr. Pawan Bansal, Executive Directors of the Company be and are hereby authorized to take all such steps and sign all such documents as may be deemed necessary to give effect to this resolution and to delegate all or any of the powers herein conferred to any officer or officers of the Company to give effect to the aforesaid resolution legal experts, consultants and to pay any fees, commission, remuneration, incur expenses and take such steps as required for the above”.

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For and on behalf of the Board of the Directors

PAWAN BANSAL
Executive Director

REGISTERED OFFICE

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

Place : Mumbai
Date : 30th August, 2008



Notes for Members Attention

1. **A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.** Proxies in order to be effective must be received at the Registered Office of the Company at least 48 hours before the meeting. Proxies submitted on behalf of Limited Companies, Societies, Partnership firm, etc. must be supported by appropriate resolution / authority, as applicable, issued on behalf of the nominating organization.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday 23rd September, 2008 to Tuesday 30th September, 2008, both the days inclusive.
3. Members can avail facilities of nomination in respect of shares held by them and may send their Nomination form duly filled in to the Company.
4. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their address, nomination, mandate, and other related to their Depository Participant (DP), where they hold their demat account.
5. Members holding the shares in physical form should intimate any change in their address, nominate, Mandate and others be informed to the Companies Registrars and Shares transfer agent (i.e. Bigshare Services Private Ltd)
6. In all correspondence with the Company, members are requested to quote their for physical share the Folio No and for the dematerialised form quote their DP ID and Client Id.
7. A copy of the explanatory statement under section 173 (2) of the Companies Act, 1956 is annexed herewith:

Explanatory statement pursuant to the Companies Act, 1956.

As required by Section 173(2) of the Companies Act, 1956, ("ACT") the following explanatory statements set out all material facts relating to the business mentioned under Item 5 to 7 of the in the Notice of the Annual General Meeting.

5. The Board of Directors appointed Mr. Anup Prakash Garg at their board meeting held on 14th September, 2007 to fill casual vacancy.

As per the provisions of Section 262 of the Companies Act, 1956, Mr. Anup Prakash Garg holds office of the Director of the Company up to date of Annual General Meeting. The Company has received notices from the shareholders of the Company under the provisions of Section 257 of the Companies Act, 1956 proposing the appointment of Mr. Anup Prakash Garg as Director of the Company liable to retire by rotation alongwith requisite deposit.

Details regarding the persons proposed to be appointed as Directors and their brief resume have been given in the Annexure attached to the Notice. Keeping in view the experience and expertise Director of the Company recommended to the Shareholders to accord their approval by way of passing ordinary Resolution.

None of the Directors are interested in the resolution relating to his appointment.

6. The Board of Directors appointed Mr Sureshchand Garg as Additional Director of the Company at their board meeting held on 18th August, 2008.

As per the provisions of Section 260 of the Companies Act, 1956, Mr. Sureshchand Garg holds office of the Director of the Company up to date of Annual General Meeting. The Company has received notices from the shareholders of the Company under the provisions of Section 257 of the Companies Act, 1956 proposing the appointment of Mr. Sureshchand Garg as Director of the Company liable to retire by rotation alongwith requisite deposit.

Details regarding the persons proposed to be appointed as Directors and their brief resume have been given in the Annexure attached to the Notice. Keeping in view the experience and expertise Director of the Company recommended to the Shareholders to accord their approval by way of passing ordinary Resolution.

Except Mr. Omprakash Garg no Directors of the Company are deemed to be intersted in the resolution relating to his appointment.



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7. The following disclosure is made in accordance with the provisions of Chapter XIII of the Securities & Exchange Board of India (disclosure of Investor Protection) Guidelines, 2000.

I. OBJECTS OF THE ISSUE:

In order to meet the long term resources of the Company, raise funds for corporate actions like capital expenditure for expansion/ modernization of the activities of the company, working capital requirements and general corporate purpose, the Board of Directors of the Company, have at its meeting held on 30th August, 2008.

II. INTENTION OF THE PROMOTERS:

The Promoters/Directors/Key Management of the company have conveyed to the company that no promoters, directors, key management persons other than mentioned in item no. 1 intend to subscribe to the offer proposed under special resolution at item no. 7 of the notice for the shareholders approval at this meeting.

III. NO CHANGE IN CONTROL

The existing promoters of the Company will continue to be in control of the Company and there will not be any changes in the management/control of the Company as result of the proposed preferential allotment.

IV. SHAREHOLDING PATTERN OF THE COMPANY BEFORE AND AFTER THE PROPOSED ISSUE:

| Sr No. | Category | Pre-Issue Equity holding | % of Share Holding | Post-Issue Equity Holding* | % of Share Holding |
|--------|---|--------------------------|--------------------|----------------------------|--------------------|
| A | Promoter's Holding | | | | |
| 1 | Promoter & Promoter Group | | | | |
| | Indian Promoters | 1,053,900 | 13.39% | 1,053,900 | 12.45% |
| | Foreign Promoters | 1,279,000 | 16.25% | 1,871,400 | 22.11% |
| | Sub - Total | 2332900 | 29.63% | 2,925,300 | 34.56% |
| B | Non - Promoter's Holding | | | | |
| 2 | Institutional Investors | | | | |
| a | Mutual Funds and UTI | 3,500 | 0.04% | 3,500 | 0.04% |
| b | Banks, Financial Institutions, Insurance Companies, (Central / State Govt. Institutions/Non - Government Institutions | - | - | - | - |
| c | FIIS | - | - | - | - |
| | Sub - Total | 3,500 | 0.04% | 3,500 | 0.04% |
| 4 | Others | | | | |
| a | Private Corporate Bodies | 1,101,197 | 13.99% | 1,101,197 | 13.01% |
| b | Indian Public | 3,128,129 | 39.73% | 3,128,129 | 36.95% |
| c | NRIs / OCBs | 1,291,118 | 16.40% | 1,291,118 | 15.25% |
| d | Any Other (Demat Transit) | 15,756 | 0.20% | 15,756 | 0.19% |
| | Sub - Total | 5,536,200 | 70.32% | 5,536,200 | 65.40% |
| | Grand Total | 7,872,600 | 100.00% | 8,465,000 | 100.00% |

* Assuming that the proposed Warrants Holder has exercised its entitlement in full.



V. Lock-in Period:

The Shares and warrants allotted on preferential basis shall be locked in from the date of their allotment for such periods as prescribed in clause 13.3.1 of SEBI Guidelines.

VI. PROPOSED TIME WITHIN WHICH ALLOTMENT WILL BE COMPLETED:

The Company will complete the allotment of warrants within a period of 15 days from the date of passing of the resolutions by the shareholders or when the allotment on preferential basis requires any approval by any regulatory authority or central government, the allotment of warrants will be completed within 15 days from the date of such approvals. The allotment of the 5,92,400 Equity shares resulting from exercise of the option attached to the said warrant will be completed within 18 months from the date of issue of warrant.

VII. Certificate From Auditors:

M/s Bhattar & Co., Chartered Accountants, Statutory Auditors of the Company has certified that the proposed preferential issue is being made in accordance with the requirements contained in SEBI (DIP) Guidelines, 2000 for Preferential Issue. The said Certificate shall be laid down before the shareholders at their proposed Annual General Meeting

VIII. IDENTITY OF ALLOTES WITH PERCENTAGE OF EXPAND CAPITAL HELD BY THEM

The proposed allottees of 5,92,400 equity shares as a result of exercise of options attached to the warrants issued pursuant to special resolution at item no. 7 of the notice and percentage of expanded capital to be held by them after the proposed allotment of the said equity shares to them as per said resolution are as under

| Name of the proposed Allottee | Category | Before Preferential Issue | | After preferential issue of shares and after allotment of shares against warrant* | |
|-------------------------------|----------|---------------------------|-------------------|---|-------------------|
| | | No of Shares Held | % of Shareholding | No of Shares Held | % of Shareholding |
| Mr. Omprakash Garg | Promoter | 10,01,500 | 12.72% | 1,593,900 | 18.83% |

* Assuming that the proposed Warrants Holder has exercised its entitlement in full.

Section 81 of the companies act, 1956 provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further shares etc., such shares shall be offered to the existing shareholders of the company in the manner laid down in section 81 unless the shareholders in the general meeting decide otherwise by passing a special resolution under Section 81(1A) of the Companies Act, 1956.

Hence consent of the shareholders by way of a special resolution is being sought pursuant of section 81(1A) and all other applicable provisions of Companies Act, 1956 and in terms of the provisions of the SEBI (DIP) guidelines and listing agreements executed by company with the Stock Exchanges where the company's shares are listed.



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IX. PRICING

The issue of warrant convertible into equity shares on preferential basis shall be at a price of Rs. 16.50 (Rs. 10/- face value + Rs. 6.50 premium). The price is determined in accordance with the SEBI (DIP) Guidelines, 2000 for preferential issue.

X. PAYMENT AND CONVERSION TERMS

10% of the value of the warrant i.e. Rs. 1.65 per warrant to be paid on the date of allotment of warrant. The balance is payable at the time of conversion. Warrant will be converted at the option of the allottee, into one equity share of Rs 10/- each at a price of Rs. 16.50 (Rs. 10/- face value + Rs. 6.50 premium) at any time within 18 months from the date of allotment, in case of option is not exercise within a period of 18 months from the date of allotment, the aforesaid 10% amount paid on the date of allotment shall be forfeited.

XI. RELEVANT DATE:

"Relevant Date" for the purpose of this clause means the date thirty days prior to the date on which the meeting of general body meeting of shareholders is held in terms of Section 81(1A) of the Companies Act, 1956 to consider the proposed issue, which is 31st August, 2008.

The resolution requires approval of the members as per the provisions of the Companies Act, 1956 and your Board recommends the resolution for approval. None of the directors of the Company is interested or concerned in the said resolution except Mr. Om Prakash Garg and Mr. Pawan Bansal to the extent warrant proposed to be allotted.

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For and on behalf of the Board of the Directors

PAWAN BANSAL
Executive Director

SURESHCHANDRA GARG
Director

Place : Mumbai
Date : 30th August, 2008

**Details Of Directors Seeking Appointment at the Annual General Meeting**

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

| | | | | |
|---|--|--|----------------------------------|--|
| Name of Director | Mr. Omprakash Garg | Mr. Pawan Bansal | Mr. Anup Prakash Garg | Mr. Sureshchand Garg |
| Date of Birth | 25th June, 1943 | 22nd May, 1963 | 28th February, 1958 | 27th November 1954 |
| Qualification | M. Sc. | Graduate | Chartered Accountant | Post Graduate |
| Date of Appointment | 8th August 1994 | 1st December 2001 | 14th September 2007 | 18th August 2008 |
| Specific Experience | Having experience in Business Environment. Industrialist with wide Business experience for more than 33 years. | Having experience in Business Environment. Experienced in Marketing and Corporate Management | Practicing Chartered Accountant, | Having experience in Business Environment. |
| Directorships held in other Public Companies | Nil | Nil | 1. Andhra Bank Limited | Nil |
| Membership/Chairman Of Other Public Companies (Includes only Audit and Shareholders / Investors Grievance Committee) | Nil | Nil | 1. Andhra Bank Limited | Nil |



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| | | |
|---|----------|--|
| BOARD OF DIRECTORS | : | Mr. Omprakash Chhangamal Garg Non Executive Chairman Mr. Pawan Murarilal Bansal Executive Director Mr. Suresh Chand Garg Non Executive Director Mr. Jandhyala Lakshminarayana Sharma Independent & Non Executive Director Mr. Anup Prakash Garg Independent & Non Executive Director Mr. Sachin Prasad Independent & Non Executive Director |
| AUDITORS | : | M/s. Bhatler & Company Chartered Accountants Mumbai |
| SECRETARIAL AUDITORS | : | Mr. Shailesh Kachalia Practicing Company Secretary Mumbai. |
| BANKERS | : | ING Vysya Bank Limited HDFC Bank Limited State Bank of India |
| FACTORY ADDRESS | : | A-68, M.I.D.C., Sinnar Village, Malegaon, Dist. Nashik- 422 113, Maharashtra (India). |
| REGISTERED AND CORPORATE OFFICE | : | 103, Sona Chambers, 507/509, J. S. S. Road, Mumbai – 400 002, Maharashtra (India). |
| REGISTRARS & SHARE TRANSFER AGENTS | : | Bigshare Services (P) Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri(East), Mumbai – 400 072. |