



CPS SHAPERS LIMITED

(FORMERLY KNOWN AS CPS SHAPERS PRIVATE LIMITED)




12TH
ANNUAL REPORT

2023-2024



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CORPORATE INFORMATION

CPS SHAPERS LIMITED

CIN: U18109MH2012PLC231749

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

- | | | |
|----|-----------------------------------|------------------------------|
| 1. | Mr. Abhishek Kamal Kumar | Chairman & Managing Director |
| 2. | Ms. Bhawna Kumar | Whole-time Director |
| 3. | Mr. Rajendra Kumar | Non-executive Director |
| 4. | Mr. Abhav K Kumar | Non-executive Director |
| 5. | Mr. Sandeep Dubey | Independent Director |
| 6. | Mr. Vijay Mukesh Thakkar | Independent Director |
| 7. | Ms. Trupti Riten Kalsariya | Independent Director |
| 8. | Ms. Chahat Girdhar | Chief Financial Officer |
| 9. | Ms. Yashika Sharma | Company Secretary |

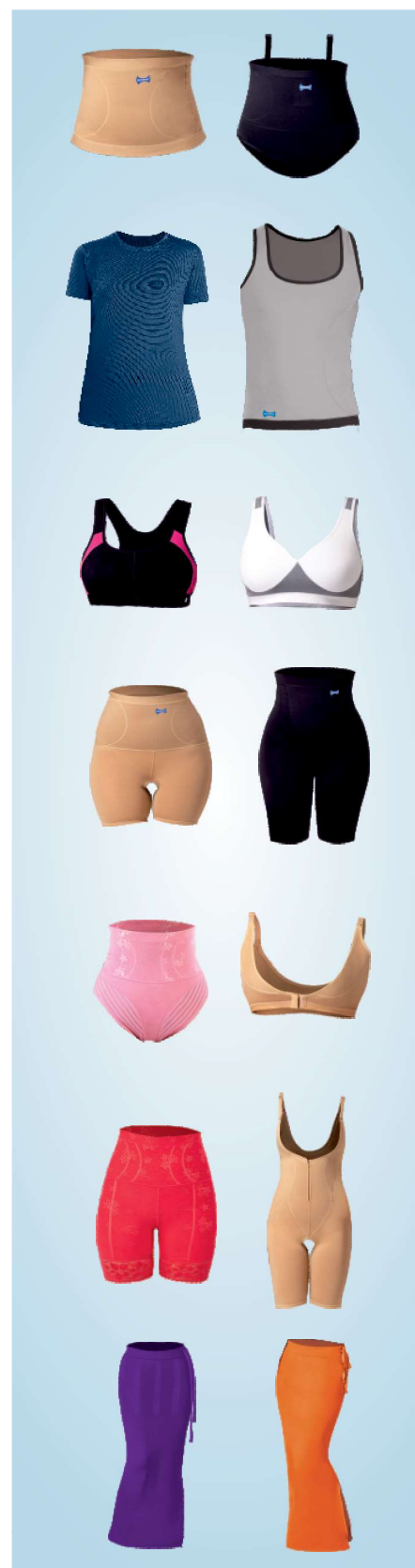
OTHER IMPORTANT DETAILS

- | | | |
|-----------------------------|---|--|
| Regd. Office | : | 201-204 2nd Floor Swamini Industrial Estate No 3
Opp Varun Industries, Nanal Nagar, Waliv, Thane,
Vasai East, Maharashtra, India, 401208. |
| Corporate Office | : | Plot No 31, New Mayur Vihar, Near Raj Vansh Vihar
Garh Road, Meerut Tehsil, Meerut, Meerut,
Uttar Pradesh, India, 250002 |
| Share Transfer Agent | : | BIGSHARE SERVICES PRIVATE LIMITED
S6-2 ,6th floor, Mahakali Caves Road , Next to Ahura
Centre, Andheri East, Mumbai- 400093,Maharashtra. |
| Statutory Auditors | : | M/s Vinay Bhushan & Associates
Chartered Accountant
726, 7 th Floor, D – Wing, Neelkanth Business Park
Near Bus Depot, Vidyavihar (West),Mumbai – 400086,
Maharashtra |

CPS SHAPERS LIMITED

Shaping The Landscape of Shapewear Category

CPS Shapers Limited is spearheading the shapewear category from the last decade. With its highly successful brand 'DERMAWEAR' it has carved a distinct position and found a special place in the hearts of Indian consumers. Today, it enjoys the stature of a definitive voice in the shapewear industry. The company's brand Dermawear offers a varied and extensive range of premium quality shapewear for women and men, alike, an athleisure range for athletic and casual dressing, along with a range of comfortable sports bras.



COMPANY BACKGROUND



Established in 2012, Dermawear has, in a span of a decade, emerged as a leading brand and a definitive voice in the shapewear industry. A preferred brand offering a varied and extensive range of premium quality shapewear for women and men, alike, an athleisure range for athletic and casual dressing, along with a range of comfortable sports bras.

Our founders, Rajendra Kumar and, Abhishek Kamal Kumar, envisioned a forward-looking brand that combines innovative designs with functionality and comfort at its very core. The aim is to make people feel body confident.

The journey began when Dermawear introduced a range of stockings and shapewear, revolutionizing the way people perceive body shaping and support garments.

Today, our product portfolio has expanded significantly, offering a wide array of meticulously crafted shapewear and athleisure clothing that caters to diverse body types and fashion preferences. We continually strive to broaden our product basket to meet the evolving needs of our customers.

Our registered address is at 201-204, Swamini Industrial Estate No. 3, Opp. Varun Industries, Nanal Nagar, Waliv, Vasai East, Thane - 401 208, Maharashtra - India.



What sets Dermawear apart is the unwavering dedication of our founders in building the brand. They have been instrumental in giving the company its unobstructed vision and imparting steadfast values with which the phenomenal growth of Dermawear has been achieved. Our every product reflects their commitment to quality, innovation, and customer satisfaction. It is their relentless pursuit of perfection that has garnered recognition and

accolades from customers, influencers, and industry experts, alike.

One of the key factors of Dermawear's growth is the staunch commitment and industry expertise of our promoters. They have been actively involved in all aspects of the business, ensuring that Dermawear maintains the highest standards in every department and always delivers customer satisfaction.

Embracing the power of e-retailing has been instrumental in Dermawear's success. It has allowed us to effectively connect with a vast number of consumers while reducing costs associated with traditional retail channels. Through our online presence, we have significantly enhanced our brand visibility and established Dermawear as a recognized and trusted name in the market.

Our own website, www.dermawear.co.in serves as our direct online connect with customers and helps them easily explore and purchase our premium products. In addition to our website, we have established strategic partnerships with leading e-commerce players in domestic as well as international market, expanding our reach and accessibility to a wider consumer base.

Our growth trajectory is fuelled by the passion of our promoters and the dedication of our team. With their collective expertise and commitment, we have successfully developed the Dermawear brand and built a loyal customer following. This customer loyalty serves as a testament to the effectiveness and quality of our products, further solidifying our position in the market.



Moreover, the growing trend of e-commerce presents immense opportunities for Dermawear. As more consumers embrace online shopping, we are well-positioned to meet their needs and provide a seamless and convenient shopping experience. By capitalizing on this trend, we aim to expand our operations on a PAN-INDIA basis, ensuring that our premium products are easily accessible to customers across the country.

We are grateful for the continued support from the government, which has fostered a favourable environment for e-commerce and entrepreneurial growth. With this support, Dermawear is poised for further expansion, strengthening our position as a popular brand among the masses.

At Dermawear, we are committed to delivering exceptional products, superior customer service, and a seamless online shopping experience. Through our website and strategic e-commerce partnerships, we are dedicated to meet the diverse needs of our customers, and maintaining our position as a leading brand in the shapewear and athleisure market.

PROMOTERS MESSAGE

Dear Shareholders,

I am delighted to address you as the Chairman of CPS Shapers Limited and share our journey of growth, resilience, and commitment to excellence. As we reflect on our achievements, I am filled with gratitude for your unwavering support and trust in our brand.



In the ever-evolving landscape of the innerwear and athleisure industry, CPS Shapers Limited has emerged as a beacon of quality and innovation. Our brand's success can be attributed to the unwavering dedication of our team, our focus on customer-centricity, and our relentless pursuit of technological advancements.

The past year presented us with unprecedented challenges. However, our indomitable spirit and tenacity allowed us to not only weather the storm but also turn it into an opportunity for growth. We remained steadfast in our commitment to meeting the evolving needs of our customers and adapting to the changing market dynamics.

At CPS Shapers Limited, we believe that technology is the key to our transformation and sustained success. We have harnessed the power of

advanced systems to streamline our operations and enhance our efficiency. The integration of the pull-based Auto Replenishment System has revolutionized our supply chain, enabling us to optimize inventory levels and ensure prompt delivery of our products to customers. This technological leap has not only improved our operational efficiency but also reinforced our commitment to providing an exceptional experience to our valued customers.

Quality has always been at the heart of our brand, and we take immense pride in delivering premium products that meet the highest standards. Each product bearing the Dermawear label is a testament to our unwavering dedication to craftsmanship, design, and comfort. We have continuously expanded our product portfolio, offering a wide range of choices that cater to the diverse needs and preferences of our customers.

In our pursuit of excellence, we have also focused on enhancing our online presence and improving the customer experience. We understand the importance of staying connected with our customers in a rapidly digitalizing world. By investing in cutting-edge technologies and innovative digital platforms, we have not only strengthened our online business but also deepened our bond with our customers. Their feedback and support continue to inspire us to raise the bar higher and ensure that every interaction with CPS Shapers Limited leaves a lasting impression.

As we move forward, guided by our principles of Technology, Tenacity, and Transformation, we remain committed to delivering sustained growth and creating value for our shareholders. Your trust in our brand fuels our determination to explore new horizons, expand our market reach, and drive innovation. Together, we will continue to shape the future of the innerwear and athleisure industry, setting new benchmarks and leaving a lasting impact.

On behalf of the entire CPS Shapers Limited team, I express my heartfelt gratitude for your unwavering support and belief in our vision. Together, let us embark on this journey of growth, resilience, and success.

Warm regards,

Abhishek Kamal Kumar

Chairman, CPS Shapers Limited

Board of Directors

Mr. Abhishek Kamal Kumar, aged 42 years is the Promoter, Chairman and Managing Director of our Company. He has completed his Bachelor's Degree in Computer Applications from Indira Gandhi National Open University in the year 2001. He also holds Advance Certificate in Export Management from Foreign Trade Development Centre. He has also taken formal training under full import clearance procedure and documentation from Reliance Cargo. He has more than 10 years of experience in our Company. He has been associated with our Company since incorporation and was redesignated as Chairman and Managing Director w.e.f. July 07, 2023 for a period of 5 years. He looks after the management and operations of the company and is involved in bringing about innovation in the operations and products of the Company. He is responsible for the entire management and administration of the Company and brings about innovation through creation of new capacities, development of products, exploring and evaluating ways of penetrating existing markets and developing new markets in India and abroad.

Ms. Bhawna Kumar, aged 42 years, is the Whole Time Director of our Company. She has completed Bachelor of Art from CH. Charan Singh University Meerut, in the year 2000 and She has completed Master of Art from CH. Charan Singh University Meerut, in the year 2002. She is currently responsible for looking after the Human Resource department of our Company.

Mr. Rajendra Kumar, aged 76 years is the Non-Executive Director of our Company. He has more than 10 years of experience in our Company. He has been associated with our Company since incorporation as a founder member and has been instrumental in extensive R&D and development of new products. He was redesignated as Non- Executive Director w.e.f July 07, 2023.

Mr. Abhav K Kumar, aged 18 years is the Non-Executive Director of our Company. He has been appointed on May 23, 2023. Presently he is pursuing BBA (Hons.) Family Business from Jindal Global Business School, O. P. Jindal Global University (JGU).

Mr. Sandeep Avdhesh Dubey, aged 34 years, is the Non-Executive Independent Director of our Company. He has been appointed as Non-Executive Independent Director of our Company w.e.f. July 07, 2023. He has passed the Professional Competence Examination conducted by The Institute of Company Secretary of India in year 2016. He holds certificate of Practise from The Institute of Company Secretary of India in year 2017.

Mr. Vijay Mukesh Thakkar, aged 28 years, is the Non-Executive Independent Director of our Company. He has been appointed as Non-Executive Independent Director of our Company w.e.f. July 07, 2023. He has passed the Professional Competence Examination conducted by The Institute of Company Secretary of India in year 2015 and is an Associate member of the Institute of Company Secretaries of India. Currently he working as a Company Secretary and Compliance Officer at Jakharia Fabric Limited.

Ms. Trupti R Kalsariya, aged 33 years, is the Non-Executive Independent Director of our Company. She has been appointed as Non-Executive Independent Director of our Company w.e.f. July 07, 2023. She has completed Master of Commerce from University of Mumbai, in the year 2012. She has passed Integrated Professional Competence Examination conducted by the Institute of Chartered Accountants of India. She has around 7 years of experience in the field of Accounting and Taxation. She has previously worked with J M Mehta & Co. Chartered Accountants as Associate Accountant. Currently she working as Manager at S B Deliwala Co. Chartered Accountants.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 12TH ANNUAL GENERAL MEETING OF THE MEMBERS OF CPS SHAPERS LIMITED WILL BE HELD ON THURSDAY SEPTEMBER 26, 2024 AT 11:30 A.M. THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO VISUAL MEANS (OAVM) FOR WHICH PURPOSE THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 201-204 2ND FLOOR SWAMINI INDUSTRIAL ESTATE NO. 3 OPP VARUN INDUSTRIES, NANAL NAGAR, WALIV VASAI EAST 401 208, THANE, MAHARASHTRA, INDIA, SHALL BE DEEMED AS THE VENUE FOR THE MEETING AND THE PROCEEDINGS OF THE AGM SHALL BE DEEMED TO BE MADE THEREAT, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

ITEM NO. 1: ADOPTION OF AUDITED STANDALONE FINANCIAL STATEMENTS:

To receive, consider and adopt the Audited Standalone Financial Statements of the company for the financial year ended March 31, 2024, together with the reports of the board of directors and auditors thereon;

ITEM NO. 2: APPOINTMENT OF MR. ABHISHEK KAMAL KUMAR (DIN: 03513668) AS DIRECTOR LIABLE TO RETIRE BY ROTATION:

To appoint a director in place of Mr. Abhishek Kamal Kumar (DIN: 03513668) who retires by rotation and being eligible offers himself for re-appointment

For CPS Shapers Limited
(Formerly known as CPS Shapers Private Limited)

Sd/-

Yashika Sharma
Company Secretary & Compliance Officer
(Membership No.: A70360)
Add: 201-204 2nd Floor Swamini Industrial Estate
No 3 Opp Varun Industries, Nanal Nagar, Waliv, Thane,
Vasai East, Maharashtra- 401208

Date: 14-08-2024
Place: Vasai

NOTES

1. The Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI") had issued various circulars from time to time with respect to conduct of Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of Members at a common venue. MCA had also prescribed the procedure and manner of conducting the AGM through VC/OAVM. This 12th AGM is, therefore, being conducted through VC/ OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The proceedings of the AGM deemed to be conducted at the Registered Office of the Company.
2. Since the AGM is being held through VC/OAVM the physical attendance of members is dispensed with and no proxies would be accepted by the Company pursuant to the relevant MCA Circulars.
3. No attendance slip/route map has been sent along with this Notice as the meeting is being held through VC/OAVM.
4. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM is annexed.
5. Members who will be shareholders as on **Thursday, September 19, 2024** can join the AGM 15 minutes before the commencement of the meeting and until the time of the conclusion of the meeting by following the procedure mentioned in this Notice.
6. Members attending the AGM through VC/OAVM will be counted for reckoning Quorum under Section 103 of the Companies Act, 2013.
7. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the certified Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to the Scrutinizer at csdeepalikaushik15@gmail.com and Company at cs@dermawear.co.in and read the other instructions given below.
8. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members are requested to furnish/update their bank account name & branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with:
 - i. The respective Depository Participants (DP) (in case of the shares held in Electronic Mode) or;
 - ii. The Registrar & Share Transfer Agent of the Company (R&T Agent) (in case of the shares held in Physical form).
10. Members holding shares in Demat mode may kindly note that any request for Change in KYC i.e Change of Name, change of address or change of E-mail ID or change in Mobile No. or change in bank particulars/mandates or registration of nomination or any other changes are to be instructed to their Depository Participant only, as the Company or its Registrar & Share Transfer Agent cannot act on any such request received directly from the Members holding shares in Demat mode. However, Members holding shares in physical mode are requested to notify the Registrar & Share Transfer Agent of the Company of any change in their address and e-mail id as soon as possible.

11. Members are requested to contact the Company's Registrar & Share Transfer Agent Bigshare Services Private Limited ("Bigshare") having address at Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, India; Tel.: (022) 62638222 Email id: investor@bigshareonline.com; Website: www.bigshareonline.com for reply to their queries/redressal of complaints, if any, or contact Ms. Yashika Sharma , Company Secretary of the Company having email id: cs@dermawear.co.in.
12. In compliance with the previously mentioned MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. MCA and SEBI have dispensed with the requirement of printing and sending physical copies of the Annual Report and the Notice of the AGM. The Members may note that the Notice calling the AGM along with the Annual Report 2023-24 will also be available on the website of the Company at www.cpsshapersltd.com in Investors & News Section under Annual Report tab. The Notice of the AGM along with Annual Report 2023-24 can also be accessed from the website of the National Stock Exchange of India Limited at www.nseindia.com, respectively and on the website of the Bigshare Services Private Limited i.e. www.bigshareonline.com.
13. The Cut-off date for determining the names of shareholders eligible to get Notice of Annual General Meeting is **Friday, 16th August, 2024**.
14. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's Registrar & Share Transfer Agent for consolidation into single folio.
15. Since, the securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, Members holding shares in physical form are requested to get their shares dematerialized at the earliest.
16. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited ("Bigshare") for assistance in this regard.
17. The Company has appointed Ms. Deepali Kaushik, an Advocate, New Delhi as scrutinizer to scrutinize the voting and the e-voting process in a fair and transparent manner.
18. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which the voting is to be held, allow voting with the assistance of the Scrutinizer, by use of e-voting for all those Members who are present at the AGM through VC/AOVM.

- 19.** The scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting in the presence of at least two witnesses not in the employment of the Company and shall make and submit, within 48 hours of the conclusion of the AGM, a consolidated scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him/her in writing, who shall countersign the same and declare the result of the e-voting within 48 hours of conclusion of the AGM.
- 20.** The Notice of the AGM shall be placed on the website of the Company till the date of AGM. The Results declared, along with the scrutinizer's Report shall be placed on the Company's website www.cpsshapersltd.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Results shall also be immediately forwarded to the Stock Exchange(s) where the shares of the Company are listed.

21. Book Closure:

The Register of Members and Share Transfer Books of the Company shall remain closed from **Friday, September 20, 2024 to Thursday, September 26, 2024** (both days inclusive).

- 22.** The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013 and the relevant documents referred to in the accompanying Notice will be made available electronically for inspection by the members of the Company, up to the date of the AGM. Members seeking inspection of such documents can send an email at cs@dermawear.co.in.

23. Questions and queries:

Members seeking any information with regard to accounts or any matter placed at the AGM, are requested to write to the Company on or before **Thursday, September 19, 2024** through email on cs@dermawear.co.in . Please note that members queries/ questions will be responded to only if the Shareholder continues to hold the shares as on the cut-off date i.e. **Thursday, September 19, 2024**.

24. Speaker Registration:

Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number to cs@dermawear.co.in by **Thursday, September 19, 2024**. Those Members who have registered themselves as a speaker and have received a confirmation from the Company will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

25. E-voting:

The businesses as set out in the Notice may be transacted through electronic voting system and the Company will provide a facility for voting by electronic means In compliance with the

provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Secretarial Standard on General Meetings and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means. The said facility of casting the votes by the members using electronic means will be provided by the Bigshare i-Vote E-Voting System.

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date of **Thursday, September 19, 2024** shall be entitled to avail the facility of remote e-voting or e-voting on the day of the AGM. Persons who are not members as on the cut-off date should treat this notice for information purposes only.

26. Instructions for e-voting during the AGM:

The e-voting window shall be activated upon instructions of the Chairman or the duly authorized officers during the AGM proceedings.

Only those Shareholders, who are present in the AGM and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Thursday, September 19, 2024**, are entitled to vote on the Resolutions set forth in this Notice. Eligible members who have acquired shares after the dispatch of the Annual Report and holding shares as of the cut-off date i.e. **Thursday, September 19, 2024**, may obtain the login ID and password by sending a request at ivote@bigshareonline.com or to the Company at cs@dermawear.co.in.

Members are requested to follow the instructions given in this notice to cast their votes through e-voting.

The detailed steps on the process and manner for remote e-voting/e-voting at the AGM and to access the VC/OAVM facility at the AGM are as follows:

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- i. The voting period begins on **Sunday, September 22, 2024 at 09:00 A.M. (IST)** and ends on **Wednesday, September 25, 2024 at 05:00 P.M. (IST)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Thursday, September 19, 2024** may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will

	<p>be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>

- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
 - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
 - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
 - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

***Note** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).*

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.
 - If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘**Forgot your password?**’
 - Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**Reset**’.
- (In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).*

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on “**VOTE NOW**” option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option “**IN FAVOUR**”, “**NOT IN FAVOUR**” or “**ABSTAIN**” and click on “**SUBMIT VOTE**”. A confirmation box will be displayed. Click “**OK**” to confirm, else “**CANCEL**” to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on investor portal.

3. Custodian registration process for i-Vote E-Voting Website:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**REGISTER**” under “**CUSTODIAN LOGIN**”, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with “**User id and password will be sent via email on your registered email id**”.

NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on '**LOGIN**' under '**CUSTODIAN LOGIN**' tab and further Click on '**Forgot your password?**
 - Enter "**User ID**" and "**Registered email ID**" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**RESET**.'
- (In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).*

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under "**DOCUMENTS**" option on custodian portal.
 - Click on "**DOCUMENT TYPE**" dropdown option and select document type power of attorney (POA).
 - Click on upload document "**CHOOSE FILE**" and upload power of attorney (POA) or board resolution for respective investor and click on "**UPLOAD**".

Note: The power of attorney (POA) or board resolution has to be named as the "**InvestorID.pdf**" (Mention Demat account number as Investor ID.)

- Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select "**VOTE FILE UPLOAD**" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on "**UPLOAD**". Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

4. Procedure for joining the AGM/EGM through VC/ OAVM:

For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘EVENTS’ option on investor portal.
- Select event for which you are desire to attend the AGM/EGM under the dropdown option.
- For joining virtual meeting, you need to click on “VC/OAVM” link placed beside of “**VIDEO CONFERENCE LINK**” option.
- Members attending the AGM/EGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

The instructions for Members for e-voting on the day of the AGM/EGM are as under:-

- The Members can join the AGM/EGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.
- Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the AGM/EGM.

Helpdesk for queries regarding virtual meeting:

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions (‘FAQs’) available at <https://ivote.bigshareonline.com>, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

ANNEXURE TO THE NOTICE

Details of Directors seeking Re-appointment at the Annual General Meeting <i>[In pursuance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Secretarial Standard-2 on General Meetings]</i>
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Name	Mr. Abhishek Kamal Kumar
DIN	03513668
PAN	AMGPK7860A
Date of Birth	11-09-1980
Age	43 years
Date of First Appointment	01-06-2012
Qualifications	1. Bachelor's Degree in Computer Applications from Indira Gandhi National Open University. 2. Advance Certificate in Export Management from Foreign Trade Development Centre.
Expertise in specific functional area	He has around 16 years of experience in the textile industry in which we operate. He has been associated with our Company since incorporation and was re-designated as Chairman and Managing Director w.e.f. July 07, 2023 for a period of 5 years.
Directorship in other Companies	C P & S ORTHOTICS PRIVATE LIMITED
No. of Board Meetings attended during the Year	15
Memberships/Chairmanship of Committees	Member of Audit Committee
Relationship with other Directors / Key Managerial Personnel of the Company	Son of Mr. Rajendra Kumar, Husband of Ms. Bhawna Kumar and Father of Mr. Abhav K Kumar.
No. of shares held in the Company either by self or on a beneficial basis for any other person	11,40,000 Equity Shares

For CPS Shapers Limited
(Formerly known as CPS Shapers Private Limited)

Sd/-
Yashika Sharma
Company Secretary & Compliance Officer
Membership No : A70360
Add: 201-204 2nd Floor Swamini Industrial Estate
No 3 Opp Varun Industries, Nanal Nagar, Waliv, Thane,
Vasai East, Maharashtra- 401208

Date: 14-08-2024
Place: Vasai

BOARD'S REPORT

Dear Members/ Shareholders,

Your directors have pleasure in presenting the 12th Board Report and the audited Accounts of the Company for the financial year ended 31st March 2024.

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

A brief summary of the audited Standalone financial results of the Company for the year ended March 31, 2024, is as under:

(Amount in Lakhs)

S. No.	Particulars	March 31, 2024	March 31, 2023
1.	Revenue from operations	3602.29	3681.45
2.	Other Income	15.54	14.71
3.	Total Income	3617.83	3696.16
4.	Less: Expenditure	3506.48	3350.95
5	Profit / Loss before exceptional items	111.35	345.21
3.	Exceptional Items	-	-
4.	Profit/(Loss) before tax	111.35	345.21
5.	Tax Expense		
	Current Tax	53.63	27.62
	Deferred Tax	(16.17)	71.51
6.	Profit/(Loss) for the Year	73.89	246.08
7.	Other Comprehensive income	-	-
8.	Total Comprehensive income	73.89	246.08
7.	Earnings per Share	4.62	16.41

2. STATE OF COMPANY'S AFFAIRS:

The Company achieved revenue from operations of **3602.29 Lakh Rupees** on standalone basis as compared to the last year's revenue of **3681.45 Lakh Rupees**.

During the year under review the company has earned profits of **73.89 Lakh Rupees** (as compared to previous year profit of **246.08 Lakh Rupees**) from business. The earnings per share declined to Rs. 4.62 as compared to Rs. 16.41 in last financial year.

Your directors wish to state that the Company is taking all necessary steps to improve the financial position of the Company.

3. MATERIAL CHANGES AND COMMITMENTS

During the year under review there were no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

4. CHANGE IN NATURE OF BUSINESS:

During the year under review, there was no change in the nature of business carried on by the Company

5. DIVIDEND:

With a view to conserve the resources for future prospect and growth of the Company, the Board of Directors of the Company have not recommended any dividend on equity shares for the financial year ended 31st March, 2024.

6. TRANSFER TO RESERVES:

During the year under review, no amount has been transferred to any reserve.

7. DEPOSIT:

During the year under review, your Company has not accepted/renewed any public deposits under Section 73 of the Act read with Companies (Acceptance of Deposits) Rules, 2014.

8. CHANGE IN NAME:

Consequent upon the conversion of the Company from private limited company into public limited company, the name of the Company has been changed from “CPS Shapers Private Limited” to “CPS Shapers Limited” with effect from 20th June, 2023 and fresh Certificate of Incorporation dated 20th June, 2023 has also been issued by the Registrar of Companies.

9. INITIAL PUBLIC OFFER (“IPO”) AND LISTING ON STOCK EXCHANGE:

Pursuant to the provisions of Section 23(1) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder read with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Securities Contracts (Regulation) Rules, 1957, the Board of Directors of the Company had proposed the Initial Public Offer not exceeding 6,00,000 Equity Shares in consultation with the Merchant Banker. The members of the Company had also approved the said proposal of Board of Directors at their Extra-Ordinary General Meeting held on July 07, 2023.

Further, pursuant to the authority granted by the members of the Company, the Board of Directors of the Company had appointed M/s. Shreni Shares Limited (Formerly known as Shreni Shares Private Limited), as Lead Manager, Underwriter & Market maker, M/s. Bigshare Services Private Limited as the Registrar to the Issue & Share Transfers Agent for the proposed Public Issue of 6,00,000 Equity Shares of face value of ₹10 each for cash at an issue price of ₹185 per equity share (including a share premium of ₹175 per equity share) aggregating to ₹1110 Lakhs. The Company had applied to National Stock Exchange of India Limited (“NSE”) for In-Principle approval for listing of its equity shares on the Emerge Platform of NSE (“NSE EMERGE”) and the NSE, vide its letter dated August 23, 2023, has granted its In-Principle Approval for the same to the Company

Subsequently, the Company had filed Prospectus with the Registrar of Companies. The Public Issue was opened for subscription on Tuesday, 29th August, 2023 and closed on Thursday, 31st August, 2023. The Basis of Allotment was finalized by Company, Registrar to the Issue and Merchant Banker in consultation with the NSE on 4th September, 2023. The Company has applied for listing of its total 21,00,000 equity shares to NSE and received approval of NSE. The trading of equity shares of the Company commenced on 07th September, 2023 on Emerge Platform of NSE ("NSE EMERGE"). Presently, the Equity Shares of the Company are listed on the SME Emerge Platform of NSE ("NSE EMERGE").

10. DEMATERIALISATION OF EQUITY SHARES:

As on 31st March, 2024, all the equity shares of the Company are in dematerialised form with either of the Depositories viz. NSDL and CDSL. The ISIN allotted to the Company is INE0QBU01012. The equity shares of the Company have been made available for trading in demat mode w.e.f. 07th September, 2023.

11. UTILISATION OF IPO PROCEEDS:

The Company raised funds of ₹ 1110 Lakhs through Initial Public Offering ("IPO"). The gross proceeds of IPO have been utilized in the manner as proposed in the Prospectus, the details of which are as under:

S. No.	Object of the Issue as per prospectus	Original Allocation (In Rupees)	Funds utilized as on 31.03.2024 (In Rupees)
1.	Purchase of Plant and Machinery	1,78,68,000/-	1,69,87,316/-
2.	Purchase of Commercial Vehicle	9,53,000/-	---
3.	Funding of capital expenditure requirements of our Company towards purchase of Solar Power System	21,00,000/-	---
4.	Up gradation of existing IT Software at our existing manufacturing facility and registered office	18,20,000/-	2,71,992/-
5.	Repayment/ prepayment of certain borrowings availed by our Company;	1,67,01,000/-	1,45,38,459/-
6.	Working Capital requirements	4,05,58,000/-	3,91,31,950/-
7.	General corporate purposes	1,82,00,000/-	1,22,70,283/-
8.	IPO Issue Expenses	1,28,00,000/-	1,28,00,000/-
	Total	11,10,00,000/-	9,60,00,000/-

There is no deviation/variation in the objects/purpose for which the funds were raised through Initial Public offer (IPO).

12. CAPITAL STRUCTURE

The Authorized Capital of the Company is Rs. 5,00,00,000 (Rupees Five Crore) divided into 50,00,000 (Fifty Lakh) equity shares of Rs. 10/- each.

The Issued, Subscribed and Paid-up capital is Rs. 2,10,00,000/- (Rupees Two crores Ten Lakh) divided into 21,00,000 (Twenty One Lakh) equity shares of Rs. 10/-

During the year the Company had issued Shares by way of following Allotments:

S. NO	Date of Allotment	TYPE OF ISSUE	TYPE OF SHARE	Face Value	Premium Value	NUMBER OF SHARES ISSUED	TOTAL AMOUNT (IN RS.)	TOTAL PREMIUM AMOUNT (IN RS.)
1.	30.06.2023	Bonus Issue	Equity	10 Rs. per equity share	Nil	10,00,000	1,00,00,000	Nil
2.	04.09.2023	Initial Public Offer (IPO)	Equity	10 Rs. per equity share	175 Rs. per equity share	6,00,000	60,00,000	10,50,00,000
TOTAL						16,00,000	1,60,00,000	10,50,00,000

Therefore, Issued, subscribed and Paid-up capital of the company is increased from Rs. 50,00,000/- to Rs. 2,10,00,000/-. Other than this there has been no change in the Authorized Share Capital, Issued, paid up and Subscribed Capital of the company during the year.

13. FUTURE PLANS OF RENOVATION/EXPANSION

Bearing in mind the burgeoning demand for products and marketing strength of the Company as well as the positive economy ahead, the Company is gearing itself to meet future demand growth. The Company is in the process of detailed market research to understand consumer preferences, body types, and specific needs and to strengthen the online presence with a user-friendly website.

14. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES

As on 31st March, 2024, The Company do not have any subsidiary, joint ventures or associates. Therefore, statement containing the salient features of financial statements of the Company's subsidiary in Form AOC-1 is not applicable.

15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report on the Company's current working and future outlook, is enclosed as "**Annexure-A**" to this report.

16. CORPORATE GOVERNANCE

As the equity shares of the company are listed on SME EMERGE Platform of NSE, therefore Corporate Governance provisions as specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation 46 and Para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 are not applicable to the Company, accordingly no reporting is required to be made under this head.

17. ANNUAL SECRETARIAL COMPLIANCE REPORT:

The Annual Secretarial Compliance Report, as required under Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular

No.: CIR/CFD/CMD1/ 27/2019 dated 8th February, 2019, is not applicable to our Company due to the exemption provided under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The shares of the Company are listed on SME Emerge Platform of National Stock Exchange of India Limited.

18. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company for the financial year ended 31st March, 2024, is available on the Company's website and can be downloaded from the weblink <https://www.cpsshapersltd.com/annual-return>

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All the transactions/contacts/arrangements made with related parties were in Ordinary course of Business and on arm length basis, During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Policy of the Company on Materiality of Related Party Transactions, therefore the information required under Form AOC 2 is Not applicable.

All the transactions entered into by the Company with related parties were in compliance with the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of related party transactions as per Accounting Standards are disclosed in Notes to the Financial Statements.

The Company has a 'Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions'. The said policy is available on the website of the Company and can be downloaded from the weblink: <https://www.cpsshapersltd.com/corporate-policies>.

20. PARTICULARS OF EMPLOYEES

The information required pursuant to section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, duly amended, in respect of employees of the Company is being annexed to this report as "Annexure-B".

There is no employee employed throughout the financial year who was in receipt of remuneration of Rs. 1,02,00,000 or more, or employed for part of the year in receipt of Rs. 8,50,000 or more a month, under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 & its amendment thereto, therefore there is no statement annexed.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has complied with the provisions of Section 186 of the Companies Act, 2013 and details of the same has given in the notes to the Financial Statements.

22. **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

COMPOSITION OF THE BOARD:

The Company, being a SME Listed Entity, has proper constitution of Board of Directors. The Board of Directors of CPS Shapers limited is an optimum combination of Executive and Non-Executive Directors. As on 31st March, 2024, The Board of Directors of the Company consists of Seven (7) Directors. The Independent Directors constitute 1/3rd of the total Board's strength. Two (2) out of Seven (7) Directors are women Director. The composition and category of Directors is as follows:

S. No.	Name of Director	Designation	DIN No.
1.	Mr. Abhishek Kamal Kumar	Chairman Cum Managing Director	03513668
2.	Ms. Bhawna Kumar	Whole-Time Director	03587088
3.	Mr. Rajendra Kumar	Non Executive Director	03513800
4.	Mr. Abhav K Kumar	Non Executive Director	10042678
5.	Mr. Sandeep Avdhesh Dubey	Independent Director	07760812
6.	Mr. Vijay Mukesh Thakkar	Independent Director	10227101
7.	Ms. Trupti R Kalsariya	Independent Director	10226827

CHANGES IN THE BOARD:

There were some changes in the composition of Board during the year with the appointment of 3 Independent Directors and 1 Whole-Time Director:

- Mr. Sandeep Avdhesh Dubey, Mr. Vijay Mukesh Thakkar, and Ms. Trupti R Kalsariya were appointed as Independent Directors w.e.f. 07.07.2023.
- Ms. Bhawna Kumar was appointed as Whole-time Director and Mr. Abhishek Kamal Kumar was re-designated as Chairman Cum Managing Director of the Company w.e.f. 07.07.2023.
- The Designation of Mr. Rajendra Kumar Changed from Director to Non-Executive Director w.e.f 07.07.2023
- Mr. Abhav K Kumar regularise as Non-Executive Director of the Company w.e.f 23.05.2023

RETIREMENT BY ROTATION

Pursuant to Section 149(13) of the Companies Act, 2013, the Independent Directors are not liable to retire by rotation. Further Section 152(6) of the Companies Act, 2013 stipulates that 2/3rd of the total number of directors of the public company should be liable to retire by rotation and out of such directors, 1/3rd should retire by rotation at every Annual General meeting of the Company. To meet the requirement of provisions of Section 152(6) of the Companies Act, 2013 Mr. Abhishek Kamal Kumar (DIN: 03513668) Director will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel of the Company as on 31st March, 2024:

S.NO.	NAME	DESIGNATION
1.	Mr. Abhishek Kamal Kumar	Chairman & Managing Director
2.	Ms. Bhawna Kumar	Whole Time Director
3.	Ms. Chahat Girdhar	Chief Financial Officer
4.	Ms. Yashika Sharma	Company Secretary

CHANGES IN KMP

During the year under review, there were some changes in the KMP as under:

- Ms. Bhawna Kumar was appointed as Whole-time Director and Mr. Abhishek Kamal Kumar was re-designated as Chairman Cum Managing Director of the Company w.e.f. 07.07.2023.
- Ms. Chahat Girdhar, was appointed as Chief Financial Officer (CFO) of the company and Mr. Nikunj Haresh Gatecha appointed as Company Secretary & Compliance officer of the company w.e.f. 07.07.2023.
- Resignation of Mr. Nikunj Haresh Gatecha from the position of Company Secretary and Compliance Officer of the Company w.e.f. 08.10.2023 and appointment of Mr. Jatin Manocha as Company Secretary & Compliance Officer of the Company w.e.f. 10.11.2023.
- Resignation of Mr. Jatin Manocha from the position of Company Secretary and Compliance Officer of the Company w.e.f. 19.03.2024.
- Ms. Yashika Sharma, appointed as Company Secretary & Compliance Officer of the Company w.e.f. 29.03.2024.

23. MEETINGS OF BOARD OF DIRECTORS

Number of Meetings Held During the Year

The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

During the Financial Year 2023-24, the Company held Fifteen (15) board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below.

S. NO.	Date of the meeting	Board Strength	No. of Directors Present
1.	10.04.2023	3	3
2.	21.04.2023	3	3
3.	21.06.2023	3	3
4.	28.06.2023	3	3
5.	30.06.2023	3	3

6.	30.06.2023	3	3
7.	07.07.2023	3	3
8.	28.07.2023	7	7
9.	04.08.2023	7	7
10.	23.08.2023	7	7
11.	04.09.2023	7	7
12.	10.11.2023	7	7
13.	21.11.2023	7	7
14.	16.01.2024	7	7
15.	29.03.2024	7	7

The maximum gap between two meetings was not more than 120 days. The requisite quorum was present at all the Meetings.

24. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations u/s 149(7) of the Companies Act, 2013 from Independent Directors confirming they meet the criteria of independence as prescribed under Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

25. OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF INDEPENDENT DIRECTORS:

The Board of Directors of our Company are of the opinion that the Independent Directors of the Company are persons of integrity and possess the relevant expertise, appropriate skills, experience and knowledge in one or more fields like accounts, finance, audit, information technology, general administration, business strategy, insurance services, investment banking, real estate business and Company Law.

Pursuant to the requirements of Section 150 of the Companies Act, 2013 read with Rules 6(1), 6(2) & 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors of the Company have registered their names in the Data Bank maintained by the Indian Institute of Corporate Affairs, Manesar ("IICA") and will comply with Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014 regarding passing of online proficiency self-assessment test conducted by IICA within the prescribed time.

26. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has framed Familiarization Programme for Independent Directors pursuant to Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and uploaded the same on the website of the Company. The web link to access the aforesaid programme is <https://www.cpsshapersltd.com/corporate-policies>

27. INDEPENDENT DIRECTORS' MEETING:

As per Schedule IV of the Companies Act, 2013 and the Rules framed thereunder read with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors. At such meetings, the Independent Directors shall:

- (i) review the performance of Non-Independent Directors and the Board as a whole;
- (ii) review the performance of Chairman of the Company after taking into account views of Executives and Non-Executive Directors and;
- (iii) assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year under review, meeting of the Independent Directors of the Company was held on 29th March, 2024. All the Independent Directors were present at the said meeting.

28. ANNUAL PERFORMANCE EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The Board has carried out the annual performance evaluation of the directors individually including the Independent Directors, the Board as a whole and its committees and Chairman, by assessment through a detailed questionnaire completed by individual directors.

Independent Directors have also evaluated the performance of Non-independent directors, the Board as a whole and Chairman at a separate meeting of Independent Directors.

The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. COMPOSITION OF COMMITTEES

The Board Committees are formed with the approval of Board of Directors of the Company ("Board") for dealing with specific areas and activities. These Committees have their respective Charters and play an important role in the overall management and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform their duties entrusted by the Board.

The Board of Directors of the Company has constituted the following Committees:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders Relationship Committee

A. AUDIT COMMITTEE

Audit Committee had been duly constituted by the Board of Directors of the Company as per the terms of the provisions of Section 177 of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the Composition of Audit Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee	Attendance at the Committee			
			Meeting held during the F.Y. 2023-24			
			28.07.2023	23.08.2023	10.11.2023	20.02.2024
Mr. Sandeep Avdhesh Dubey	Non-Executive Independent Director	Chairman	✓	✓	✓	✓
Ms. Trupti R Kalsariya	Non-Executive Independent Director	Member	✓	✓	✓	✓
Mr. Abhishek Kamal Kumar	Chairman and Managing Director	Member	✓	✓	✓	✓

Terms of Reference:

The terms of reference of the Audit Committee are as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / Draft Prospectus / Prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitoring the auditor's independence, performance and effectiveness of

- audit process;
8. Approval or any subsequent modification of transactions of our Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of our Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
 16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 18. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board;
 19. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 21. To review the functioning of the whistle blower mechanism;
 22. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 23. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases;
 24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings;
 25. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
 26. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
 27. To investigate any other matters referred to by the Board of Directors; and
 28. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or containing into SEBI Listing Regulations 2015."

The Audit Committee also reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions (as defined by the audit committee), submitted by the management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor;
6. Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations;
 - b) Annual statement of funds utilized for purposes other than those stated in the Issue document/ Prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations."

B. NOMINATION & REMUNERATION COMMITTEE

Nomination & Remuneration Committee had been duly constituted by the Board of Directors of the Company as per the terms of the provisions of Section 178 of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the Nomination & Remuneration Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee	Attendance at the Committee Meeting held during the F.Y. 2023-24	
			10.11.2023	29.03.2024
Mr. Vijay Mukesh Thakkar	Non-Executive Independent Director	Chairman	✓	✓
Mr. Sandeep Avdhesh Dubey	Non-Executive Independent Director	Member	✓	✓
Ms. Trupti R Kalsariya	Non-Executive Independent Director	Member	✓	✓

Terms of Reference:

The terms of reference of the "Nomination/ Remuneration Committee" are as under:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

2. Formulation of criteria to determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees;
3. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.
 - a) Use the services of external agencies, if required;
 - b) Consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) Consider the time commitments of the candidates.
4. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
5. Devising a policy on diversity of board of directors;
6. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
7. Determine our Company's policy on specific remuneration package for the Managing Director /Executive Director including pension rights;
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
9. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
10. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
11. Decide the amount of Commission payable to the Whole Time Directors;
12. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
13. To formulate and administer the Employee Stock Option Scheme; and
14. Recommend to the Board all remuneration, in whatever form, payable to senior management."

NOMINATION & REMUNERATION POLICY

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination & Remuneration Policy is stated on website of the Company i.e. <https://www.cpsshapersltd.com/corporate-policies>.

C. STAKEHOLDER RELATIONSHIP COMMITTEE

During the year under review, the Stakeholder Relationship Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee	Attendance at the Committee
			Meeting held during the F.Y. 2023-24 29.03.2024
Mr. Vijay Mukesh Thakkar	Non-Executive Independent Director	Chairman	✓
Mr. Sandeep Avdhesh Dubey	Non-Executive Independent Director	Member	✓
Ms. Trupti Kalsariya	Non-Executive Independent Director	Member	✓

Terms of Reference:

The terms of reference of the Stakeholders' Relationship Committee are as under:

- Redressal of shareholders' and investors' complaints, including and in respect of:
 - Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
 - Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
 - Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;

5. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
6. Allotment and listing of shares;
7. Review of measures taken for effective exercise of voting rights by shareholders.
8. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
9. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
10. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities and Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
11. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
12. Carrying out any other function contained in the equity listing agreements as and when amended from time to time."

30. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, the Directors state that

- a) In the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures from the same.
- b) The Directors 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 as on 31st March 2024 and of the profit of the Company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a going concern basis.
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. AUDITORS REPORT AND AUDITORS:

The Report of Statutory Auditors on Audited Annual Financial Statements does not contain any qualification(s), reservation(s) or adverse remark(s) or disclaimer, which calls for any comment(s) from the Board of Directors.

A. STATUTORY AUDITORS

M/s Vinay Bhushan and Associates, Chartered Accountants, having Firm Registration No. 502632 were appointed as Statutory Auditors for a period of 05 years from the conclusion of 10th Annual General Meeting until the conclusion of 15th Annual General Meeting to be held in the year 2027. They have confirmed their eligibility and independence to continue as Statutory Auditors.

B. INTERNAL AUDITORS

Pursuant to the provision of Section 138 of the Companies Act, 2013, The Board of Directors at their meeting held on 21st April 2023 had appointed Mr. Nikhil Bansal, Employee of the Company as the Internal Auditor of the Company.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and promptly informed the management on the lacking as and when required.

C. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 179 and 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Ashish Grover & Associates, Company Secretaries, a firm of practicing company secretaries was appointed as Secretarial Auditor to conduct the secretarial audit of the Company for the financial year ended 2023-24.

Mr. Ashish Grover, Secretarial Auditor has given the Secretarial Audit Report in Form No. MR-3 and the same has been annexed to the Board's Report and marked as "**Annexure-C**". The secretarial audit report does not contain any qualification, reservation, adverse remark or disclaimer.

The Secretarial audit report confirms that the Company has complied with all the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other necessary compliances under various Acts, in so far as applicable to the Company. The report does not contain any qualifications, reservation or adverse remark.

32. INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:

There was no instance of fraud during the year under review, which requires the Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Companies Act, 2013 and rules framed thereunder.

33. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder are not applicable to our Company for the financial year ended 31st March, 2024, therefore no policy developed and implemented by the company on corporate social responsibility initiatives taken during the year.

34. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Your Company is doing its best efforts to give high priority to energy conservation by opting for more power efficient replacements. Particulars of Energy Conservation / Technology Absorption and Foreign Exchange earnings and out go as per Section 134(3)(m) of Companies Act, 2013 are given as an **Annexure-D** to this report.

35. SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

36. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has an adequate internal financial control system commensurate with the nature of its business and the size and complexity of its operations and are operating effectively with no material weakness.

During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of the said internal financial control system.

37. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

The Business Responsibility and Sustainability Report, as per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable to our Company as our Company does not fall under top 1000 listed Companies on the basis of market capitalization as of 31st March, 2024

38. DIVIDEND DISTRIBUTION POLICY:

The requirements of formulation of Dividend Distribution Policy as mentioned under Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to our Company as our Company does not fall under top 1000 listed Companies based on market capitalization as of 31st March, 2024.

39. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (the 'Act') and Rules made thereunder, the Company has a policy and framework for employees (all female employees on the rolls of the Company including those on deputation, contract, temporary, part time or working as consultants are covered under this Policy) to report sexual harassment cases at workplace. The Company has constituted an Internal Complaints Committee to redress complaints relating to sexual harassment. During the year under review, no complaints with allegations of sexual harassment were received by the Company.

40. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has established a vigil mechanism, incorporating a whistle blower policy in lines with the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in order to protect the interest of the employees and executives in reporting their grievances in a protected manner. It also provides for the protection against victimization of directors and employees who avail this mechanism and allows direct communication with the Chairperson of the Audit Committee, in certain appropriate and exceptional circumstances. The policy on vigil mechanism may be accessed on the Company's website <https://www.cpsshapersltd.com/corporate-policies>.

41. MAINTENANCE OF COST RECORDS & COST AUDIT:

The Company is not required to maintain Cost Records as specified under Section 148(1) of the Companies Act, 2013 and therefore, the appointment of Cost Auditor for undertaking audit of cost records of the Company is not applicable.

42. RISK MANAGEMENT POLICY

The Company has a Risk Management Policy and Procedures for identification, assessment, management, minimization & monitoring of risks and also laid down the procedure to inform the Board members about the risk assessment and minimization procedures. It has identified various potential risks including but not limited to business dynamics, operations, liquidity, market/industry, human resource etc. The Company is periodically reviewing the risks and their identification, assessment, monitoring and mitigation procedures. The main objective of this Policy is to achieve sustainable business growth with stability and to promote a proactive approach in identifying, reporting, evaluating and resolving the risks associated with the Company's business which, in the opinion of the Board, may threaten the growth, stability and existence of the Company. The Risk Management Policy may be accessed on the Company's website at the link: <https://www.cpsshapersltd.com/corporate-policies>.

43. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

44. CODE OF CONDUCT AS PER SEBI (LODR) REGULATIONS, 2015

The Board of Directors has laid down The Code of Conduct for all Board Members and Senior Management Personnel as per Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 of the Company. Additionally, all Independent Directors of the company shall be bound by duties of Independent Directors as set out in Companies Act, 2013 to be read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct.

A declaration, regarding the compliance of the Code of Conduct by the Board Members and the Senior Management, duly signed by Mr. Abhishek Kamal Kumar, Managing Director of the Company, is given as an **Annexure-E** to this report.

45. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

This is not applicable to the Company.

46. CODE OF CONDUCT AS PER SEBI (PREVENTION OF INSIDER TRADING) REGULATIONS, 2015

The Board of Directors has laid down the Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information as per Regulation 8(1) of SEBI (Prevention of Insider Trading) Regulations, 2015 & Code of Conduct to Regulate, Monitor and Report trading by the Designated Persons as per Regulation 9(1) of SEBI (Prevention of Insider Trading) Regulations, 2015 at their meeting held on 7th July, 2023.

47. LISTING FEE:

The Company's equity shares are listed on SME Emerge Platform of National Stock Exchange of India Limited ("NSE EMERGE"). The Company has paid the listing fees to NSE.

48. HUMAN RESOURCES

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people's attention are currently underway. Your Company thrust is on promoting of talent internally through job rotation and job enlargement.

49. INDUSTRIAL RELATIONS

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

50. OTHER DISCLOSURES:

- a) The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on the Meetings of Board of Directors including Committee Meetings and General Meetings.
- b) There was no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.
- c) There was no instance of onetime settlement with any Bank or Financial Institution.

51. APPRECIATION:

The Board of Directors of the Company place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year under review.

The Board conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, franchise partners, business associates, regulatory and government authorities for their continued support.

By Order of the Board
For CPS Shapers Limited
(Formerly known as CPS Shapers Private Limited)

Sd/-
(Bhawana Kumar)
Whole-time Director
DIN-03513800

Sd/-
(Abhishek Kamal Kumar)
Chairman & Managing Director
DIN-3513668

Date: 14-08-2024
Place: Vasai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INTRODUCTION:

The following Management Discussion and Analysis (MD&A) provides an updated overview of the performance, operations, and financial condition of CPS Shapers Limited for the financial year ending 31st March, 2024. This analysis aims to provide shareholders, investors, and other stakeholders with a comprehensive understanding of the company's strategies, challenges, and future outlook.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Shapewear market in India has undergone a significant transformation, evolving from a category solely focused on functionality to one that embodies fashion and style. This segment has effectively carved out a distinct space for itself, fuelled by increasing disposable incomes, a growing interest in fashion and a desire for comfort. As a result, Shapewear has emerged as one of the rapidly expanding fashion sectors in India. The industry is currently dominated by unorganised players, but there is a shift towards organised players that offer branded, stylish and comfortable Shapewear. Consumers today are seeking Shapewear that not only serves a functional purpose but also reflects their personal style and individuality. The growing preference for branded Shapewear has led the industry to move from being price sensitive to brand sensitive, with the premium segment showing great promise in catering to changing consumer needs.

RISKS AND CONCERNS:

We strongly believe that every business entails risks, which can vary in terms of their impact, likelihood of occurrence and speed of onset. These risks are constantly evolving and changing, and we consistently monitor the external environment to identify potential risks and evaluate their potential impact on our objectives. Our primary focus is to manage and mitigate these risks to acceptable levels. To achieve this, we rely on the guidance of the Board of Directors, which oversees our enterprise-wide risk management initiatives. We strive to leverage our resources to convert opportunities into tangible outcomes.

OPPORTUNITIES & THREATS:

Opportunities

- **Increase in fashion consciousness:** In India, the domestic Shapewear market is experiencing a tremendous roar and the market is witnessing the advent of premium Shapewear brands. Customers do not overlook crucial requirements like quality and comfort and are willing to pay the amount required and this is a great opportunity for the Industry.
- **New Fabrics & Trends:** Cotton has always been highly preferred in this segment, but today with technological advancements, we notice a wide array of comfortable fabrics being used. From nylon to organic cotton, spandex blend cotton fabric to modal and from micro-fiber to more durable material. This has led to product innovations in the industry.
- **Shifting to Branded Products:** There has been a shift in market demand from unbranded products to branded products, mainly driven by higher awareness and celebrity advertising.
- **Exports:** India is the 3rd largest exporter of Textiles & Apparel in the world. Capacity built over years has led to low cost of production per unit in India's textile industry. This has lent a strong competitive advantage to the country's textile exporters relative to key global peers.
- Multiple channels of easy product availability, including EBOs, MBOs and online platforms that provide the added convenience of home delivery.

Threats

- Large domestic organised enterprises are constantly evolving to capture a larger market share, but they are facing stiff competition from the unorganised industry as well as international brands entering India.
- Threat from fluctuating prices of the raw materials used in production, such as cotton, yarn, and chemicals, and thereby raising price of the finished products may not be viable in a competitive market.
- Today Shapewear products are considered more of a fashion accessory than a necessity. Being a fashion product, industry players must adapt to the constantly evolving fashion trends in the mass market to remain viable.
- Rapid changes in consumer preferences from one brand to another makes it difficult for a Company to establish a permanent connect and in gaining brand loyalty, consequently leading to loss of business to competitors.
- Emergence of start-ups in the Shapewear industry with aggressive marketing and discount to attract customers.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is in a single reportable segment only, i.e., Shapewears.

OUTLOOK:

The growth potential of the Indian Shapewear market is immense and holds tremendous opportunities. Exposure to premium products and international standards of quality and design have enabled consumers to seek Shapewear shopping and consumption as an experiential process over just attending to basic essential needs. Companies are adapting to new consumer priorities, and digital is providing a nexus for growth. Improving fashion trends, increasing disposable income, and changing consumer lifestyles along with preferences are the factors expected to boost market growth. The availability of products in a variety of fabrics such as cotton, polyester, nylon, rayon, silk, and cotton blends is driving the product demand. The Indian consumers are becoming more aware and environmentally conscious, and want to buy products from brands that follow ethical and sustainable practices – whether it is exploring eco-friendly fabrics, sustainable manufacturing processes, reducing the carbon footprint or cutting down waste. The time is ripe for the industry to embrace a more sustainable model to contribute their share for the environment and stage ahead of the game.

The textile industry is a vital sector of the Indian economy, with a rich history dating back to centuries. India has been known for its textiles and is one of the largest textile producers and exporters in the world. The textiles and apparel industry in India has strengths across the entire value chain from fibre, yarn, fabric to apparel and is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool to silk products. It is one of the largest employers in the country, generating jobs across the entire value chain, from cotton farming and spinning to weaving, dyeing, printing, and garment manufacturing and provides direct employment to 45 million people and 100 million people in allied industries. India is the 3rd largest exporter of textiles & apparel in the world and has a share of around 4.6% of the global trade in textiles and apparel and is one of the largest producers of cotton and jute in the world, 2nd largest producer of silk in the world.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a proper and adequate internal control system to ensure effective governance, risk management, operational efficiency and all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions authorized, recorded and reported correctly. The internal control is supplemented by extensive program of internal audits, review by management and documented policies, guidelines and procedures.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Company's financial performance remains closely tied to our operational efficiency and market dynamics. During the financial year, we achieved operational performance, including increased productivity, optimized supply chain, and improved cost control measures. The financial performance of the Company has been summarized in the Directors' Report under the heading 'Financial Summary and Highlights'.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The industrial relations have been cordial and satisfactory. We recognize the importance of Human resources and give full respect for its development and are committed to the development of our human resource. Efforts continue to make the organization a great place to work. There were 275 number of people employed on the rolls of the company as on March 31, 2024.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:

Sr. No.	Ratios	As at March 31, 2024	As at March 31, 2023	% of change	Reason for change if exceed 25%
1	Debtors Turnover Ratio	11.97	14.11	-15.15%	-
2	Inventory Turnover Ratio	1.29	2.07	-37.75%	Due to reduction in Cost of Material Consumed and corresponding increase in Inventory in current year.
3	Interest Coverage Ratio	0.27	0.35	-21.90%	Due to reduction in Debt during the year.
4	Current Ratio	1.78	1.44	23.14%	Due to money raised in the IPO during the year, there is substantial increase in Cash & Cash equivalent.
5	Debt-Equity Ratio	0.77	5.94	-87.08%	Due to increase in share capital and issuance of shares at premium through IPO.
6	Operating Profit Margin	0.09	0.13	-32.14%	Due to increase in expenses during the Year.
7	Net Profit Margin	0.02	0.07	-69.31%	Due to increase in expenses during the Year.
8	Return on Net worth	0.19	1.97	-90.41%	Due to increase in share capital post IPO.

CAUTIONARY STATEMENT:

Facts and figure in the Management's Discussion and Analysis describe the company's projection and estimates may be "forward looking predictions" and it may differ from the results.

By Order of the Board
For CPS Shapers Limited
(Formerly known as CPS Shapers Private Limited)

Sd/-
(Bhawana Kumar)
Whole-time Director
DIN-03513800

Sd/-
(Abhishek Kamal Kumar)
Managing Director
DIN-3513668

Date: 14-08-2024
Place: Vasai

ANNEXURE-B
Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director and Key Managerial Personnel to the median remuneration of the employees of the Company for the financial year ended March 31, 2024 and percentage increase in remuneration compared to last financial year:

Name of the Director and Key Managerial Personal	Designation	Remuneration (Rs. In Lakhs)	% Increase in remuneration from previous year	Ratio (Remuneration of Director to Median Remuneration)
Mr. Abhishek Kamal Kumar	Managing Director	45.75	17.31%	13.86 : 1
Ms. Bhawna Kumar	Whole Time Director	10.50	75.00%	3.18 : 1
Mr. Rajendra Kumar	Director	3.30	-75.00%	1 : 1
Ms. Chahat Girdhar	Chief Financial Officer	9.38	58.90%	2.84:1
Ms. Yashika Sharma	Company Secretary	0.02	0%	0.01:1
Mr. Jatin Manocha	Company Secretary	0.80	0%	0.24:1
Mr. Nikunj Gatecha	Company Secretary	0.60	0%	0.18:1

Note: For this purpose, sitting fees paid to the Directors have not been considered as remuneration. *MRE-Median Remuneration of Employee based on annualized salary. The median remuneration of employees of the Company during the financial year was Rs. 297068/-

2. The percentage increase in the median remuneration of employees in the financial year: 11.36%
3. The number of permanent employees on the rolls of Company as on March 31, 2024: 71
4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
During the financial year 2023-24, the average percentile increase in the Salaries of employees other than the managerial personnel in the financial year 2023-24 is 14.08% compared to 34.77% increase in the managerial remuneration in the said financial year due to appointment and payment of managerial remuneration to Ms. Bhawna Kumar as a Whole Time Director, Ms. Chahat Girdhar as Chief Financial officer, Mr. Nikunj Gatecha (Resigned w.e.f 08.10.2023), Mr. Jatin Manocha (Resigned w.e.f 19.03.2024), & Ms. Yashika Sharma as Company Secretaries of the Company.
5. Affirmation that the remuneration is as per the Remuneration Policy of the Company:
Your Company affirms that the remuneration of Directors and Key Managerial Personnel was as per the Remuneration Policy of the Company.

By Order of the Board
For CPS Shapers Limited
(Formerly known as CPS Shapers Private Limited)

Sd/-
(Bhawana Kumar)
Whole-time Director
DIN-03513800

Sd/-
(Abhishek Kamal Kumar)
Chairman & Managing Director
DIN-3513668

Annexure-C

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**To
The Members,
C P S Shapers Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **C P S Shapers Limited**. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the C P S Shapers Limited books, papers, minute books, forms, returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion the company has during the audit period covering the financial year ended on 31st March, 2024 ("Audit Period") Complied with the statutory provisions listed hereunder and also that the Company has Proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereunder:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- (I) The Companies Act 2013 (the Act) and the rules made there under as amended from time to time;
- (II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (III) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (IV) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (V) The following Regulations and Guidelines prescribed under the Securities and Exchange Board India Act 1992 (SEBI Act')-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018;

- (d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period)**
 - (e) The Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008 and Listing Agreement for Debt Securities; **(Not applicable to the Company during the audit period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009/ 2021; and **(Not applicable to the Company during the audit period)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998/ 2018; **(Not applicable to the Company during the audit period)**
- (VI) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
- a. Environment Protection Act, 1986;
 - b. The Air (Prevention & Control of Pollution) Act, 1981;
 - c. The Water (Prevention & Control of Pollution) Act, 1974
 - d. The Legal Metrology Act, 2009;
 - e. Intellectual Property Acts;
 - f. Consumer Protection Act, 2019

The Company has further confirmed that during the Audit Period they have not contravened any of the provisions of the above specific laws and had obtained all the requisites registrations, permits and licenses.

Procedure for monitoring and ensuring compliance with General Laws

I have been informed that a proper procedure has been laid down to monitor and ensure compliance with general laws. On perusal of the documents provided by the Company, I observed that the Company has a system of ensuring compliance with applicable laws.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

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

- (I) Secretarial Standards issued by the Institute of Company Secretaries of India related to Board Meetings, General Meetings.
- (II) The Listing Agreement entered into by the Company with the National Stock Exchange/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the company has complied with the applicable provisions of the Act, Rules, Regulations, guidelines, standards etc as mentioned above without any material non compliance.

Based on the information received and records maintained, I further report that :

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors Non-Executive Directors and Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The Changes in the Board of Directors during the year are as under:

DIN	Name of Directors	Date of Appointment/Change	Changes during the Year
10042678	Mr. Abhav K Kumar	23.05.2023	Regularised as Non-Executive Director
03513668	Mr. Abhishek Kamal Kumar	07.07.2023	Change In designation from Director to Chairman and Managing Director
03513800	Mr. Rajendra Kumar	07.07.2023	Change in Designation From Director to Non-Executive Director
03587088	Ms. Bhawna Kumar	07.07.2023	Appointed as Whole Time Director
07760812	Mr. Sandeep Dubey	07.07.2023	Appointed as Non-Executive Independent Director
10227101	Mr. Vijay Mukesh Thakkar	07.07.2023	Appointed as Non-Executive Independent Director
10226827	Ms. Trupti Riten Kalsariya	07.07.2023	Appointed as Non-Executive Independent Director

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions of the Board and Committees thereof were carried through with requisite majority. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company has accordingly appointed the internal auditors to take care of internal systems and processes.

I further report that during the audit period of the Company there were following events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. The Board of Directors of the Company at their meeting held on 10th April, 2023, has passed resolutions approving the conversion of Private Limited Company into a Public Limited Company, Adoption of New Set of Memorandum of Association and Adoption of New Set of Articles of Association.
2. Further, the Company has passed Special Resolutions at the Extra Ordinary General Meeting of members of the Company held on 23rd May, 2023 for approval of the conversion of Private Limited Company into a Public Limited Company, Adoption of New Set of Memorandum of Association and adoption of new set of Articles of Association.
3. The name of the Company has been changed from "C P S Shapers Private Limited" to "C P S Shapers Limited" with effect from 20th June, 2023.
4. The Board of Directors of the Company at their meeting held on 30th June, 2023 has issued and allotted 10,00,000 Bonus equity shares to its existing shareholders in the ratio of 2:1 (i.e. two bonus shares for every one share held).
5. Further, the Company has passed Special Resolutions at the Extra Ordinary General Meeting of members of the Company held on 07th July, 2023 for approving the limits under Section 180(1)(a), Section 180(1)(c) and Section 186 of the Companies Act, 2013 and also for approving the Initial Public Offering of equity shares.
6. Further, the Board of Directors of the Company at their meeting held on 28th July, 2023 has approved the Prospectus for the Public Issue of 6,00,000 equity shares.
7. The Company has received In-Principle approval for the Initial Public Offering of 6,00,000 equity shares from National Stock Exchange of India Limited ("NSE") vide NSE letter dated 23rd August, 2023.
8. The Company has also received Listing Approval from NSE vide NSE letter dated 06th September, 2023 for listing of 21,00,000 fully paid-up equity shares. The shares of the Company got listed on SME Emerge Platform of NSE with effect from 07th September, 2023.

I further report that our Audit was subjected only to verify the adequacy of systems and procedures that are in place for ensuring proper compliances on the part of the company and we are not responsible for any lapses in those compliances on the part of the company.

**M/s Ashish Grover & Associates,
Company Secretaries**

**Sd/-
Ashish Grover
Proprietor
Memb. No.: F13167
C.O.P. No.: 27093
UDIN: F013167F000788251
Peer Review Certificate No. 5423/2024**

**Date: 20/07/2024
Place: New Delhi**

The report has to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

Annexure -1 to the Secretarial Audit report**To,****The Members,
CPS Shapers Limited**

Our Secretarial Audit report of even date is to be read along with this letter.

1. Maintenance of secretarial records, registers is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc
4. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards are the responsibility of the management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**M/s Ashish Grover & Associates,
Company Secretaries**

**Sd/-
Ashish Grover
Proprietor
Memb. No.: F13167
C.O.P. No.: 27093
UDIN: F013167F000788251
Peer Review Certificate No. 5423/2024**

**Date: 20/07/2024
Place: New Delhi**

ANNEXURE-D

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE
EARNINGS AND OUTGO**

**[Pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of The
Companies (Accounts) Rules, 2014]
[As on 31.03.2024]**

A. CONSERVATION OF ENERGY:

(i) The Steps taken or impact on Conservation of Energy: Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.

(ii) The steps taken by the Company for utilizing alternate sources of energy: None

(iii) The capital investment on energy conservation equipment: NIL

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

(i) The efforts made towards technology absorption: Updating of Technology is a Continuous process, absorption implemented and adapted by the Company for innovation. However, the development works are carried out on continuous basis for improvement of the quality of all the products of the Company, taking into consideration the effective and efficient utilization of resources at optimum level.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Environment Protection / Ecofriendly.

(iii) Imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

Earnings (Amount in Lakhs)	: Rs. 163.91
Outgo (Amount in Lakhs)	: Rs. 229

By Order of the Board
For CPS Shapers Limited
(Formerly known as CPS Shapers Private Limited)

Sd/-
(Bhawana Kumar)
Whole-time Director
DIN-03513800

Sd/-
(Abhishek Kamal Kumar)
Chairman & Managing Director
DIN-3513668

ANNEXURE-E

DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT

To
The Members
CPS Shapers Limited
Regtd Off: 201-204, 2nd Floor Swamini Industrial Estate, No. 3,
Opp. Varun Industries, Nanal Nagar, Waliv, Vasai East, Thane,
Maharashtra-401208

Subject: Declaration for compliance of Code of Conduct in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, **Abhishek Kamal Kumar**, Managing Director of the Company, do hereby declare that, all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct of Board of Directors and Senior Management Personnel for the financial year ended March 31, 2024 as required under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For CPS Shapers Limited
(Formerly known as CPS Shapers Private Limited)

Sd/-
Abhishek Kamal Kumar
Managing Director
DIN-3513668

Date: 14-08-2024
Place: Vasai

INDEPENDENT AUDITOR'S REPORT

To the Members of CPS Shapers Limited
(Formerly known as CPS Shapers Private Limited)
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **CPS Shapers Limited** (Formerly known as CPS Shapers Private Limited) ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its profit for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

- The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Director's Report including Annexures to the Director's Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Director's Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, profit/ loss, change in equity, financial performance and cash flows of the Company in accordance with the Accounting Standards (AS) as specified under section 133 of the Act, read with Rule 7 of Company (Accounts) Rules, 2014 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has

adequate internal financial controls system in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the management and board of directors;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, based on our audit, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash flow statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of section 164 (2) of the Act.
 - f) With respect to reporting on the adequacy of Internal Financial Control Over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to the standalone financial statements;
 - g) With respect to the matter to be included in the Auditor’s Report under section 197(16), in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
 - h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have pending litigations, which would impact its financial positions.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note No. 36 of the financial statement that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the Note No. 36 of the financial statement that no funds have been received by the company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
- v. Based on information and explanation provided to us, the company has not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For Vinay Bhushan & Associates
Chartered Accountants
Firm's Reg No.130529W

Sd/-
CA. Vinay Bhushan
Partner
Membership No. 502632

Place: Mumbai
Date: May 29, 2024
UDIN: 24502632BKCKYN2314

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

Report as required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (Refer to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date). With reference to the Annexure A referred to in the Independent Auditors’ Report to the members of the Company on the financial statements for the year ended March 31, 2024, we report the following:

- (i) In respect of the Company’s Property, Plant and Equipment and Intangible assets:
- (a) A. The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment;
- B. The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of property, plant and equipment at reasonable intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain, Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification during the year.
- (c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements and included in property, plant and equipment, capital work-in progress and investment property, according to the information and explanations given to us by the Management of the Company. We report that, the title deeds of below mentioned immovable properties are being held in the name of the M/s. CPS Shapers Private Limited. However, the Company has converted from Private Limited to Public Limited during the Financial Year 2023-24 but the name of owner in the title deeds of such immovable properties has not been updated as at the balance sheet date. The Company is in process of updating the Name in the title deeds of said immovable properties with Revenue Department.

S. No.	Description of property	Address of Property	Period held – Indicate Range	Held in name of	Whether promoter, director or their relative or employee	Gross carrying value (Rs. in Lakhs)	Reason for not being held in name of company
1.	Land (Manufacturing Unit)	Plot No. 31, Khasra No. 29, Mayur Viar Colony, Rajaswa Village Kamalpura, Pargana/ Tehsil, Dist.- Merrut	From 2014	CPS Shapers Private Limited	No	48.79	Updation of Name in title is in process
2.	Land (Manufacturing Unit)	Plot No. 30, Khasra No. 29, Mayur Viar Colony, Rajaswa Village Kamalpura, Pargana/ Tehsil, Dist.- Merrut	From 2018	CPS Shapers Private Limited	No	14.33	Updation of Name in title is in process

3.	Land (Warehouse)	Part of Plot No. 14 and ½ of Plot No. 15, Harvans Vihar, Harvans Colony, Vill.- Kamalpur, Merrut	From 2023	CPS Shapers Private Limited	No	42.98	Updation of Name in title is in process
4.	Building (Office and Warehouse)	Gala 203, 2 Floor, Swamini Industrial Estate-III, Survey No. 96, Hissa No. 9/1 and 10/2, Village Waliv, Taluka Vasai, Dist. Thane, Maharashtra	From 2011	CPS Shapers Private Limited	No	-	Updation of Name in title is in process
5.	Building (Warehouse)	Gala 204, 2 Floor, Swamini Industrial Estate-III, Survey No. 96, Hissa No. 9/1 and 10/2, Village Waliv, Taluka Vasai, Dist. Thane, Maharashtra	From 2013	CPS Shapers Private Limited	No	-	Updation of Name in title is in process

(d) The Company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.

(ii)

(a) The inventories were physically verified during the year by the Management at reasonable interval and the coverage and procedure of such verification by the management is appropriate. No material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, during the year, from banks and financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, including the revised submissions made by the Company to its lead bankers based on closure of books of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, statements on of the debtors/ trade and other receivables, statement of trade payables/creditors and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective months and no material discrepancies have been observed.

- (iii) During the year, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of clause 3 (iii) of the said Order are not applicable to the company.
- (iv) The Company has not made any loans, investments, guarantees and security on which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Therefore, the provisions of clause 3(iv) of the said Order are not applicable to the company.
- (v) According to the information and explanations given to us, the Company has complied with the provisions of Section 73, 74, 75 and 76 or any provision of the Act and the Rules framed there under to the extent notified with regard to deposits accepted from the member. According to the information and explanation given to us, no order has been passed by the Company Law Board/NCLT/any Court/any other Tribunal.
- (vi) As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.
- (vii)
- (a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Duty of Customs, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2024 for a period of more than 6 months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2024 on account of disputes are given below:

Name of Statute	Nature of Dues	Amounts (Rs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,92,600*	2013-14	First Appellate Authority
Income Tax Act, 1961	Income Tax	1,79,130	2017-18	First Appellate Authority

**Demand already recovered by Income Tax Department against subsequent year's refund*

- (viii) In our opinion and according to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (ix)
- (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
- (b) In our opinion and according to the information and explanations given to us, the company has not been declared as wilful defaulter by any bank or financial institution or other lender.

- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
 - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint venture.
 - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture or associate company.
- (x)
- (a) According to the information and explanations given to us, the company has raised Rs. 1,100 Lakhs by issuing 6,00,000 shares having face value of Rs. 10 per shares at a premium of Rs. 175 per share through Initial Public Offer (IPO) which came out on 29th August, 2023 and closed on 31st August, 2023 and the funds raised were applied for the purpose for which those are raised.
 - (b) In our opinion and according to the information and explanation given to us. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi)
- (a) According to the information and explanations given to us and based on our examination of the records of the Company, no fraud by the company or on the Company has been noticed or reported during the course of our audit.
 - (b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - (c) As represented to us by the management, there are no whistle-blower complaints received during the year.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.
- (xiii) As per the information and explanations received to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards. Further the Company is required to constitute an Audit Committee under section 177 of the Act, and accordingly, the Company has duly constituted Audit Committee in accordance with section 177 of the Act.
- (xiv) In our opinion and based on our examination, the Company has appointed internal auditor and carried out internal audit for the year ended.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.

(xvi)

(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) As per the information and explanations received, the group does not have any CIC as part of the group.

(xvii) The Company has not incurred any cash loss during the current financial year

(xviii) Statutory Auditor of the Company has not resigned during the Financial Year 2023-24.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx)

(a) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) The Company does not have any unspent amount pursuant to any ongoing project. Hence reporting under clause 3(xx)(b) of the order is not applicable.

(xxi) The company does not have any subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For Vinay Bhushan & Associates
Chartered Accountants
Firm Reg No. 130529W

Sd/-
CA. Vinay Bhushan
Partner
Membership No. 502632

Place: Mumbai
Date: May 29, 2024
UDIN: 24502632BKCKYN2314

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" in the Independent Auditor's Report of even date to the members of CPS Shapers Limited, on the financial statements for the year ended March 31, 2024)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of CPS Shapers Limited as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes these policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company,
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that the receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company, and
- Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

For Vinay Bhushan & Associates
Chartered Accountants
Firm's Reg No.130529W

Sd/-

CA. Vinay Bhushan
Partner
Membership No. 502632
Place: Mumbai
Date: May 29, 2024
UDIN: 24502632BKCKYN2314

BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
		(Rs. in Lakhs)	(Rs. in Lakhs)
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	210.00	50.00
(b) Reserves and surplus	4	988.79	125.12
		1,198.79	175.12
(2) Share application money pending allotment			
(3) Non-current liabilities			
(a) Long-term Borrowings	5	216.06	567.69
(b) Deferred tax liabilities (net)	12	-	15.99
(c) Long term provisions	6	43.62	34.97
		259.68	618.65
(4) Current liabilities			
(a) Short term borrowings	7	704.10	472.47
(b) Trade payables	8		
(i) total outstanding dues of micro and small enterprises		143.80	199.44
(ii) total outstanding dues of creditors other than micro and small enterprises		121.83	167.13
(c) Other current liabilities	9	55.22	82.02
(d) Short-term provisions	10	53.46	32.87
		1,078.41	953.93
TOTAL		2,536.88	1,747.70
II. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment and Intangible Assets			
(i) Property, plant and equipment	11a	479.60	357.86
(ii) Intangibles	11b	4.74	2.48
(iii) Work In Progress	11c	84.95	-
(b) Deferred tax assets (net)	12	0.28	-
(c) Long-term loans and advances	13	50.07	10.07
		619.64	370.41
(2) Current assets			
(a) Inventories	14	1,104.23	911.37
(b) Trade receivables	15	343.19	258.52
(c) Cash and bank balance	16	170.87	20.03
(d) Short-term loans and advances	17	298.95	187.37
(e) Other Current Assets	18	-	-
		1,917.24	1,377.29
TOTAL		2,536.88	1,747.70
See accompanying notes forming part of the financial statements		1 to 41	
In terms of our report attached		-	-
For Vinay Bhushan & Associates Chartered Accountants FRN: 130529W		For and on behalf of the Board of Directors of CPS Shapers Limited (Formerly Known as CPS Shapers Private Limited)	
Sd/- CA Vinay Bhushan Partner Membership No : 502632		Sd/- Abhishek Kumar DIN:03513668 Managing Director	Sd/- Bhawna Kumar DIN:03587088 Whole-Time Director
Sd/- Yashika Sharma Company Secretary		Sd/- Chahat Girdhar Chief Financial Officer	
Place: Mumbai Date: May 29, 2024		Place: Mumbai Date: May 29, 2024	

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
		(Rs. in Lakhs)	(Rs. in Lakhs)
(A) Income			
(a) Revenue from operations	19	3,602.29	3,681.45
(b) Other income	20	15.54	14.71
TOTAL INCOME		3,617.83	3,696.16
(B) Expenses			
(a) Cost of Material Consumed	21 (a)	1,385.74	1,915.79
(b) Increase/Decrease in Stock in trade	21 (b)	(86.21)	(401.95)
(c) Employee benefits expense	22	723.06	692.90
(d) Finance costs	23	152.54	98.99
(e) Depreciation and amortisation expense	11	65.40	51.72
(f) Other expenses	24	1,265.95	993.50
TOTAL EXPENSES		3,506.48	3,350.95
(C) Profit / (Loss) before exceptional and extraordinary items and tax		111.35	345.21
(D) Exceptional items		-	-
(E) Profit / (Loss) before extraordinary items and tax		111.35	345.21
(F) Extraordinary items		-	-
(G) Profit/ (Loss) before Tax		111.35	345.21
(H) Tax expenses:			
(a) Current tax expense		53.63	27.62
(b) Earlier year Tax		-	-
(c) Deferred tax expense / (benefit)		(16.17)	71.51
Net tax expense/ (benefit)		37.46	99.13
Profit / (Loss) after Tax		73.89	246.08
Earnings per share (of Rs. 10 each)			
(a) Basic & Diluted	32	4.62	16.41
See accompanying notes forming part of the financial statements	1 to 41		
In terms of our report attached			
For Vinay Bhushan & Associates Chartered Accountants FRN: 130529W	For and on behalf of the Board of Directors of CPS Shapers Limited (Formerly Known as CPS Shapers Private Limited)		
Sd/- CA Vinay Bhushan Partner Membership No : 502632	Sd/- Abhishek Kumar DIN:03513668 Managing Director	Sd/- Bhawna Kumar DIN:03587088 Whole-Time Director	
	Sd/- Yashika Sharma Company Secretary	Sd/- Chahat Girdhar Chief Financial Officer	
Place: Mumbai Date: May 29, 2024	Place: Mumbai Date: May 29, 2024		

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note No.	Year Ended March 31, 2024 (Rs. in Lakhs)	Year Ended March 31, 2023 (Rs. in Lakhs)
A Cash flow from operating activities:			
Net profit before tax		111.35	345.22
Adjustments:			
Depreciation & Amortisation	11	65.40	51.72
Interest Income		(3.77)	(0.52)
Profit on sale of Fixed Assets		-	(6.06)
Finance cost	23	152.54	98.99
Provision for Gratuity	22	13.55	5.82
		<u>227.72</u>	<u>149.95</u>
Operating cash flow before working capital changes		339.07	495.18
Movement in working capital			
I. Adjustments for (Increase)/decrease in operating assets :			
Trade receivables	15	(84.67)	4.74
Inventories	14	(192.86)	(361.10)
Short-term loans & advance	17	(111.57)	(109.24)
Other Current Assets	18	-	-
II. Adjustments for (Increase)/decrease in operating liabilities :			
Trade payables	8	(100.94)	54.13
Other current liabilities	9	(26.80)	29.41
Provisions	6 & 10	5.70	(0.04)
		<u>(511.14)</u>	<u>(382.11)</u>
Cash generated from operations		(172.07)	113.07
Net income taxes paid		(83.75)	2.74
Net cash (used in) / provided by operating activities (A)		(255.82)	115.81
B Cash flows from investing activities:			
Purchase of fixed assets & including intangible assets	11a	(274.34)	(132.20)
Sale of Fixed Assets		-	9.83
Interest Received		3.77	-
		<u>(270.57)</u>	<u>(122.37)</u>
Net cash provided by / (used in) investing activities (B)			
C Cash flows from Financing activities:			
Proceeds from Long Term Borrowings	5	(351.63)	78.54
Shares issued during the year		949.77	-
Proceeds from/(Repayment) of Short Term Borrowings	7	231.63	26.04
Interest Income		-	0.52
Interest paid	23	(152.54)	(98.99)
Net cash flow from/ (used in) financing activities (C)		677.23	6.12
Net increase / (decrease) in cash & cash equivalents (A+B+C)		150.84	(0.44)
Cash & cash equivalents as at the beginning of the year		20.03	20.47
Cash & cash equivalents as at the end of the year		170.87	20.03
Notes to Cash Flow Statement			
1 Component of cash and cash equivalent :			
- Cash in hand		13.43	8.97
- Balance with Bank		157.44	11.06
		<u>170.87</u>	<u>20.03</u>
The accompanying notes form an integral part of the financial statement	1-41	-0.00	-0.00

In terms of our report attached

For Vinay Bhushan & Associates
Chartered Accountants
FRN: 130529W

Sd/-
CA Vinay Bhushan
Partner
Membership No : 502632

Place: Mumbai
Date: May 29, 2024

For and on behalf of the Board of Directors of
CPS Shapers Limited
(Formerly Known as CPS Shapers Private Limited)

Sd/-
Abhishek Kumar
DIN:03513668
Managing Director

Sd/-
Yashika Sharma
Company Secretary
Place: Mumbai
Date: May 29, 2024

Sd/-
Bhawna Kumar
DIN:03587088
Whole-Time Director

Sd/-
Chahat Girdhar
Chief Financial Officer

NOTES FORMING PART OF FINANCIAL STATEMENTS

1 Background and Principal activities

CPS Shapers Limited (Formerly Known as CPS Shapers Private Limited) was incorporated on 1 June, 2012 and having its registered office at 201-204, 2nd Floor Swamini Industrial Estate, No 3, Opp Varun Industries, Nanal Nagar, Waliv, Vasai East Thane, Maharashtra-401208. The Company is primarily engaged in the business manufacturing of compressed garments. The Company has been converted from Private Limited Company to Public Limited Company vide necessary resolution passed by shareholders and the name of company is this day changed to CPS Shapers Limited pursuant to issuance of Fresh Certificate of Incorporation on 20.06.2023. Now, the CIN is U18109MH2012PLC231749.

The Company is now Public Limited Company. The Company came out with its Initial Public Offer (IPO) on 29th August, 2023 and IPO closed on 31st August, 2023. The Company is listed on the Small and Medium Enterprise ("SME") platform of National Stock Exchange (NSE).

2 Significant Accounting policies

a) Basis of preparation of financial statements

These financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards specified to in section 133 of the Companies Act 2013, read with rule 7 of the Companies (Account) Rules, 2014, the relevant provisions of the Companies Act, 2013, pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented as per schedule III to Companies Act, 2013

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

c) Revenue Recognition

The Company follows the accrual method of accounting and all claims, receivable and liabilities are provided on that basis. All revenue is recognized on accrual basis except non-recruiting income is accounted otherwise.

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales excludes Goods & Service Tax

Revenue from sale of services is recognized net of goods and service tax and as and when the services are rendered.

Interest incomes/expenses are recognised using the time proportion method based on the rates implicit in the transaction

d) Fixed Assets

Property, plant and equipment are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

The cost of an item of PPE is recognized as an asset if, and only, if it is probable that economic benefits associated with the item will flow to the company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Profit and Loss Statement during the period in which they are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of asset and is recognized in the Profit and Loss Statement.

Capital Work-in-progress

Capital Work-in-progress comprises of property, plant and equipment that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

Intangible asset are recognised as per Accounting Standard 26 Intangible Asset.

An intangible asset is recognised if and only if

- (a) it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise; and
- (b) the cost of the asset can be measured reliably.

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

e) Depreciation

i. Property, Plant & Equipment

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation is provided on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciable amount for assets is the cost of PPE less its estimated residual value.

The useful life of an asset is the period over which a PPE is expected to be available for use by an entity, or the number of production or similar units expected to be obtained from the asset by the entity. Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of projects from the date of commencement of commercial production.

The Company has used following useful lives of the Property, Plant and Equipment to provide depreciation.

Major assets class where useful life considered as provided in Schedule II:

No.	Nature of Asset	Estimated Useful life of the Assets
1	Plant & Machinery	15 Years
2	Furniture & Fixtures	10 Years
3	Factory Premises (Owned)	30 Years
4	Office Equipments	5 Years
5	Motor Vehicles	8 Years
6	Electrical Installation & Equipments	10 Years
7	Computer & Data Processing Units	3 Years

ii. Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible Assets are amortized on straight line basis over a period of five years being the estimated useful life.

f) Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is generally determined on weighted average basis except for inventory segregated for a specific order / project, in which case it is valued at their specific costs of purchase. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

Cost of raw materials and stores and spares includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. The aforesaid items are valued at net realizable value if the finished products in which they are to be incorporated are expected to be sold at a loss.

Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

g) Foreign currency transactions

Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date:

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year.

Treatment of exchange differences:

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

h) Employee benefits

Short-term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, leave encashment, incentives etc. and the same are recognised in the period in which the employee renders the related service. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

Defined contribution plans

Contributions to defined contribution schemes such as Employees State Insurance and Provident Fund, etc are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These contributions are made to the fund administered and managed by Government of India. The company has no other obligations to the plans beyond its monthly compensations.

Defined benefit plans

For defined benefit plans in the form of gratuity (unfunded), the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

i) Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

j) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events 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 (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

k) Borrowing costs

Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

l) Earnings per Share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares, if any.

m) Impairment of assets

The carrying values of assets/ cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

n) Cash Flow Statements:

Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

o) Operating Cycle:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. As a result, current assets comprise elements that are expected to be realised within 12 months after the reporting date and current liabilities comprise elements that are due for settlement within 12 months after the reporting date.

Note 3 Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	(Rs. in Lakhs)	Number of shares	(Rs. in Lakhs)
Authorised Capital				
Equity shares of Rs.10/- each with voting rights	50,00,000	500	5,00,000	50
	50,00,000	500	5,00,000	50
Issued, Subscribed and fully paid up				
Equity shares of Rs.10/- each with voting rights	21,00,000	210	5,00,000	50
Total	21,00,000	210	5,00,000	50

Notes:

1. The Company has increased its authorised share capital from 5,00,000 shares to 50,00,000 shares vide a resolution passed at EGM of the Company held at registered office of the Company on 13th January, 2023 during the F.Y. 2022-23.
2. The Company has issued 10,00,000 bonus shares vide resolution dated 30th June, 2023.
3. The Company has issued and allotted 6,00,000 shares having face value of Rs. 10 per shares at a premium of Rs. 175 per share under Initial Public Offer (IPO).

Refer Notes (i) to (iv) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity shares with voting rights			
Year ended March 31, 2024			
- Number of shares	5,00,000	16,00,000	21,00,000
- Amount (Rs. in Lakhs)	50	160	210
Year ended March 31, 2023			
- Number of shares	5,00,000	-	5,00,000
- Amount (Rs. in Lakhs)	50	-	50

(ii) The Company has issued one class of equity shares having a face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	Year ended on March 31, 2024		Year ended on March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. Rajendra Kumar	1,20,000	5.71	40,000	1.90
Mr. Abhishek Kumar	11,40,000	54.29	3,80,000	18.10
Mrs. Kamlesh Kumar	1,20,000	5.71	40,000	1.90
Mrs. Bhavana Kumar	1,11,000	5.29	37,000	1.76

(iv) Shares held by Promoter and Promoter Group at the end of the year 31st March, 2024

Name of promoters	Year Ending on March 31, 2024			Year Ending on March 31, 2023		
	No. of Share	% of Total Share	% Change during the year	No. of Share	% of Total Share	% Change during the year
Equity shares with voting rights						
Mr. Rajendra Kumar	1,20,000	5.71%	-28.57%	40,000	8.00%	-
Mr. Abhishek Kumar	11,40,000	54.29%	-28.57%	3,80,000	76.00%	-
Mrs. Kamlesh Kumar	1,20,000	5.71%	-28.57%	40,000	8.00%	-
Mrs. Bhavana Kumar	1,11,000	5.29%	-28.57%	37,000	7.40%	-
Ms. Ruchi Kumar	3,000	0.14%	-28.57%	1,000	0.20%	-
Mr. Abhav K. Kumar	3,000	0.14%	-28.57%	1,000	0.20%	-

Note 4 Reserve and Surplus

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	125.12	(120.98)
Less: Bonus Issue*	(100.00)	-
Add: Profit / (Loss) for the year	73.89	246.10
Closing balance (a)	99.01	125.12
Securities Premium		
Opening balance	-	-
Add: Premium on Shares Issued**	1,050.00	-
Less: Share Issue Expenses**	(160.23)	-
Closing balance (b)	889.77	-
Closing balance (a+b)	988.78	125.12

* The Company has issued 10,00,000 bonus shares vide resolution dated June 30, 2023.

** The Company has issued and allotted 6,00,000 shares having face value of Rs. 10 per shares at a premium of Rs. 175 per share through Initial Public Offer (IPO). However, the securities premium has been applied for the share issue expenses in accordance with the provisions of section 52 of the Companies Act, 2013.

Note 5 Long-term Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
<u>Secured Loans</u>		
Term loans		
From Banks	9.08	118.32
From Financial Institutions	7.98	12.54
<u>Unsecured Loan</u>		
From Financial Institutions (Others)	106.70	88.50
From Banks	22.48	132.48
From Directors	2.18	138.60
From Members	-	-
Inter Corporate Deposits	-	10.10
Deposit from Distributors	67.64	67.14
	216.06	567.68

i. Term Loan from Banks

1. HDFC Bank Working Capital Term Loan is secured against hypothecation of Property of Company, its Associate Enterprises & Directors and Stocks & Book Debts of the Company. This loan is originally repayable in EMI having repayment term of 24 months @ 9% p.a.
2. HDFC Bank Working Capital Term Loan is secured against hypothecation of Property of Company, its Associate Enterprises & Directors and Stocks & Book Debts of the Company. This loan is originally repayable in EMI having repayment term of 9 months @ 9% p.a.
3. HDFC Bank Term Loan is secured against hypothecation of Property of Company, its Associate Enterprises & Directors and Stocks & Book Debts of the Company. This loan is originally repayable in EMI having repayment term of 60 months @ 9% p.a.
4. Axis Bank for Motor Vehicle (Jeep) Purchase is secured by hypothecation of vehicles purchased under hire purchase agreement These loans are originally repayable in equal monthly instalments having repayment term of 60 months @ 7.50% p.a.
5. Axis Bank for Motor Vehicle Purchase (Venue) is secured by hypothecation of vehicles purchased under hire purchase agreement These loans are originally repayable in equal monthly instalments having repayment term of 36 months @ 8.50% p.a.
6. Axis Bank for Motor Vehicle Purchase (Venue) is secured by hypothecation of vehicles purchased under hire purchase agreement These loans are originally repayable in equal monthly instalments having repayment term of 36 months @ 8.95% p.a.
7. Indusind Bank Loan for Motor Vehicle Purchase (Bolero) is secured by hypothecation of vehicles purchased under hire purchase agreement These loans are originally repayable in equal monthly instalments having repayment term of 36 months @ 11.58% p.a.

ii.From Financial Institutions

1. Toyota Financial Services India Limited on Motor Vehicle repayable in EMI having repayment term of 60 months @ 8.51%

iii . Unsecured Loan

1. Fullteron India Credit Company Limited repayable in EMI having repayment term of 43 months @ 16.75%. The Loan has been foreclosed during the Financial Year 2023-24.
2. Fullteron India Credit Company Limited repayable in EMI having repayment term of 48 months @ 14%.
3. Fullteron India Credit Company Limited repayable in EMI having repayment term of 29 months @ 17%.
4. Bajaj Finserv Limited repayable in EMI having repayment terms of 60 months carries interest at 18%. The Loan has been foreclosed during the Financial Year 2023-24.
5. Axis Bank loan is repayable in EMI having repayment term of 36 months @ 15.50% p.a. The Loan has been foreclosed during the Financial Year 2023-24.
6. HDFC Bank loan is repayable in EMI having repayment term of 48 months @ 15.00% p.a. The Loan has been foreclosed during the Financial Year 2023-24.
7. Deutsche Bank loan is repayable in EMI having repayment term of 26 months @ 15.90% p.a.
8. ICICI Bank loan is repayable in EMI having repayment term of 36 months @ 16.50% p.a.
9. Clix Capital Services Private Limited loan is repayable in EMI having repayment term of 36 months @ 17.00% p.a.
10. Hero Fincorp Limited loan is repayable in EMI having repayment term of 36 months @ 17.00% p.a.
11. Ugro Capital Limited loan is repayable in EMI having repayment term of 36 months @ 17.00% p.a.
12. Indusind Bank loan is repayable in EMI having repayment term of 36 months @ 16.00% p.a.
13. Bajaj Finserv Limited repayable in EMI having repayment terms of 36 months carries interest at 16%. The Loan has been foreclosed during the Financial Year 2023-24.
14. Fedbank Financial Services Limited Loan repayable in EMI having repayment terms of 36 months carries interest at 15.75%.
15. Tata Capital Limited Loan repayable in EMI having repayment terms of 43 months carries interest at 16.75%. The Loan has been foreclosed during the Financial Year 2023-24.
16. Tata Capital Limited Loan repayable in EMI having repayment terms of 36 months carries interest at 16.00% p.a.
17. Tata Capital Limited Loan (Business Loan) repayable in EMI having repayment terms of 36 months carries interest at 16.00% p.a.
18. Unity Small Finance Loan repayable in EMI having repayment terms of 36 months carries interest at 17.00% p.a.
19. The Loan has been guaranteed by the personal guarantee of the managing director of the company.

Note 6 Long Term Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Provision for employee benefits:		
- Gratuity (Refer Note No.27)	43.62	34.97
Total	43.62	34.97

Note 7 Short Term Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Cash credit from banks (Secured) (Refer Note below)	453.31	391.99
Balances with Banks		
(i) In current accounts	23.67	-
(ii) Credit Cards	7.46	-
Current Maturities of Long Term Liabilites	219.67	80.49
Total	704.11	472.48

Note: During the Financial Year 2023-24, Cash credit facility has been availed from HDFC Bank which is secured against hypothecation of Property of Company, its Associate Enterprises & Directors and Stocks & Book Debts of the Company. The Credit facility is renewed on year to year basis & repayable on demand and carries interest @ 9% (*prevailing rate*).

Note 8 Trade Payable

Particulars	As at March 31, 2024 (Rs. in Lakhs)	As at March 31, 2023 (Rs. in Lakhs)
Other than Acceptances		
total outstanding dues of micro and small enterprises (Refer note below)	143.80	199.44
total outstanding dues of creditors other than micro and small enterprises	121.83	167.13
Total	265.63	366.57

Notes: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises

Particulars	As at March 31, 2024 (Rs. in Lakhs)	As at March 31, 2023 (Rs. in Lakhs)
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	143.80	199.44
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note:

- i. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the
- ii. The average credit period is up to 45 days.

a. Unbilled

Particulars	As at March 31, 2024 (Rs. in Lakhs)	As at March 31, 2023 (Rs. in Lakhs)
Unbilled - Other (Provision)	3.82	2.56
	3.82	2.56

b. Ageing Schedule - Outstanding for following period from due date of payment

31st March, 2024

(Rs. in Lakhs)

Particulars	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro, small and medium enterprises (MSME)	143.80	-	-	-	143.80
- Other	116.21	130.51	16.80	33.10	296.62
- Disputed Dues - MSME	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-
Total	260.01	130.51	16.80	33.10	440.42

31st March, 2023

(Rs. in Lakhs)

Particulars	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
- Micro and small enterprises (MSME)	199.44	-	-	-	199.44
- Other	158.44	1.73	0.09	4.31	164.57
- Disputed Dues - MSME	-	-	-	-	-
- Disputed Dues - Other	-	-	-	-	-
Total	357.88	1.73	0.09	4.31	364.01

Note 9 Other Current Liabilities

Particulars	As at March 31, 2024 (Rs. in Lakhs)	As at March 31, 2023 (Rs. in Lakhs)
Statutory Dues:		
TDS Payable	4.70	6.41
TCS Payable	0.19	0.17
ESIC Payable	0.38	0.41
Profession Tax Payable	0.08	0.06
Provident Fund Payable	2.26	2.06
Provision for Equalisation Levy	1.15	0.40
Salary Payable	29.34	42.76
Power and fuel payable	1.60	1.74
Interest accrued but not due	4.21	1.65
Advances from Customers	11.31	26.36
Total	55.22	82.02

Note 10 Short Term Provisions

Particulars	As at March 31, 2024 (Rs. in Lakhs)	As at March 31, 2023 (Rs. in Lakhs)
Provision for Taxation	42.54	19.01
Provision for Employment Benefits		
Gratuity (Refer Note No.27)	6.11	4.92
Leave Encashment	4.81	8.94
Total	53.46	32.87

Note 11a Property Plant and Equipment

Particulars	Gross block				Accumulated depreciation				Net block	
	Balance as at April 1, 2023	Additions	Disposals	Balance as at March 31, 2024	Balance as at April 1, 2023	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2024	Balance as at March 31, 2024	Balance as at March 31, 2023
(a) Factory Land*	106.09	-	-	106.09	-	-	-	-	106.09	106.09
(b) Plant and Equipment	159.74	161.87	-	321.61	88.81	18.28	-	107.09	214.52	70.93
(c) Furniture and Fixtures	61.38	1.56	-	62.94	47.76	3.16	-	50.93	12.00	13.61
(d) Building	149.42	-	-	149.42	65.13	8.01	-	73.14	76.28	84.29
(e) Office Equipment	47.14	13.81	-	60.95	34.76	7.34	-	42.10	18.85	12.38
(f) Computers	23.99	2.09	-	26.08	21.89	3.54	-	25.43	0.65	2.10
(g) Vehicles	111.84	6.65	-	118.49	43.39	23.91	-	67.30	51.20	68.45
Total	659.60	185.98	-	845.58	301.74	64.24	-	365.99	479.59	357.85
Previous Year	547.09	132.20	19.68	659.60	267.16	50.50	15.92	301.74	357.86	279.93

Note 11b Intangibles

Particulars	Gross block				Accumulated depreciation				Net block	
	Balance as at April 1, 2023	Additions	Disposals	Balance as at March 31, 2024	Balance as at April 1, 2023	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2024	Balance as at March 31, 2024	Balance as at March 31, 2023
(a) Computer Software	29.85	3.41	-	33.26	27.37	1.16	-	28.53	4.74	2.48
Total	29.85	3.41	-	33.26	27.37	1.16	-	28.53	4.74	2.48
Previous Year	29.85	-	-	29.85	26.15	1.22	-	27.37	2.48	3.70
Grand Total	689.45	189.39	-	878.84	329.11	65.40	-	394.52	484.33	360.33
Previous Year	576.94	132.20	19.68	689.46	293.31	51.72	15.92	329.11	360.35	283.64

Note 11c CWIP

Particulars	Gross block				Accumulated depreciation				Net block	
	Balance as at April 1, 2023	Additions	Disposals	Balance as at March 31, 2024	Balance as at April 1, 2023	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2024	Balance as at March 31, 2024	Balance as at March 31, 2023
(a) Building (Factory) WIP	-	84.95	-	84.95	-	-	-	-	84.95	-
Total	-	84.95	-	84.95	-	-	-	-	84.95	-
Previous Year	-	-	-	-	-	-	-	-	-	-

Capital Work-in-progress ageing schedule as at March 31, 2024

Particulars	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
Construction of Building (Factory) in Progress	84.95	-	-	-	84.95
Total	84.95	-	-	-	84.95

Foot Notes:

i) The title deeds of below mentioned immovable properties of the Company are being held in the name of the M/s. CPS Shapers Private Limited. Since, the Company has converted from Private Limited to Public Limited during the Financial Year 2023-24 but the Company has not updated the name of owner in the title deeds of such immovable properties as at the balance sheet date. The Company is undertaking the task updation of name in the title deeds of such immovable properties with Revenue Department.

S. No.	Description of Property	Address of Property	Held in name of	Gross Carrying Value (in Rs. Lakhs)
1	Land (Manufacturing Unit)	Plot No. 31, Khasta No. 29, Mayur Vihar Colony, Rajaswa Village, Kamulpura, Pargana / Tehsil, Dist.- Merrut	CPS Shapers Private Limited	48.79
2	Land (Manufacturing Unit)	Plot No. 30, Khasta No. 29, Mayur Vihar Colony, Rajaswa Village, Kamulpura, Pargana / Tehsil, Dist.- Merrut	CPS Shapers Private Limited	14.33
3	Land (Warehouse)	Part of Plot No. 14 and ½ of Plot No. 15, Harvans Vihar, Harvans Colony, Vill.- Kamulpur, Merrut	CPS Shapers Private Limited	42.98
4	Building (Office and Warehouse)	Gala 203, 2 Floor, Swamini Industrial Estate- III, Survey No. 96, Hissa No. 9/1 and 10/2, Village Waliv, Taluka Vasai, Dist. Thane, Maharashtra	CPS Shapers Private Limited	-
5	Building (Warehouse)	Gala 204, 2 Floor, Swamini Industrial Estate- III, Survey No. 96, Hissa No. 9/1 and 10/2, Village Waliv, Taluka Vasai, Dist. Thane, Maharashtra	CPS Shapers Private Limited	-
		Total		106.09

Note 12 Deffered Tax Asset

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
<u>Tax effect of items constituting Deferred tax liabilities</u>		
On difference between book balance and tax balance of property, plant and equipment	22.45	18.49
	22.45	18.49
<u>Tax effects of items Constituting Deferred Tax Asset</u>		
On difference between book balance and tax balance of property, plant and equipment	-	-
Unabsorbed tax losses & Depreciation	-	-
Provision for doubtful trade receivables	-	-
Disallowances u/s 40(a)(ia), 43B, 40(A)(7) of the Income Tax Act, 1961	22.73	2.50
	22.73	2.50
Net deferred tax asset / (liability)	0.28	(15.99)

Note 13 Long Term Loans and Advances

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
(Unsecured, considered good unless otherwise stated)		
Income Tax Assets	50.07	10.07
Total	50.07	10.07

Note 14 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Raw Materials	304.85	198.20
Work in Progress/Semi Finished Goods	85.54	93.21
Finished Goods (includes in transit)	713.84	619.97
Total	1,104.23	911.38

Note 15 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
(Unsecured, considered good unless otherwise stated)		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Considered good	56.49	20.25
Considered doubtful	-	-
	56.49	20.25
Less: Provision for doubtful trade receivables	-	-
	56.49	20.25
(b) Other Trade receivables	286.70	238.27
Total	343.19	258.52

Notes: Trade Receivable Ageing Schedule

Particulars	(Rs. in Lakhs)					
	Less than 6 Months	6 Months to 1 year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
31st March, 2024						
(a) Undisputed Trade receivables-						
Considered good	266.73	26.68	25.18	3.54	1.10	323.22
Considered doubtful	-	-	-	-	-	-
(b) Disputed Trade receivables-						
Considered good	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-
Total	266.73	26.68	25.18	3.54		323.22
31st March, 2023						
(a) Undisputed Trade receivables-						
Considered good	237.87	18.96	0.12	0.01	1.56	258.52
Considered doubtful	-	-	-	-	-	-
	237.87	18.96	0.12	0.01	1.56	258.52
(b) Disputed Trade receivables-						
Considered good	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-
Total	237.87	18.96	0.12	0.01	1.56	258.52

Note 16 Cash and Bank Balance

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
A. Cash and cash equivalents		
(a) Cash on hand	13.43	8.97
(b) Balances with banks		
(i) In current accounts	4.05	11.06
Total - Cash and cash equivalents (A)	17.48	20.03
B. Other bank balances		
(i) Deposit with banks (Sweep FDs with accrued interest)		
- original maturity more than 3 months	153.39	-
Total - Other bank balances (B)	153.39	-
Total	170.87	20.03

Note 17 Short Term Loans and Advances

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
(Unsecured, considered good unless otherwise stated)		
Security Deposits	16.95	2.73
Prepaid expenses	2.72	7.12
Loans to employees	10.42	8.21
Advance to Suppliers & Others	13.85	37.09
GST Receivable	246.07	120.02
Balance with statutory/government authorities	-	5.34
Others	8.93	6.86
Total	298.94	187.37

Note 18 Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Others	-	-
Total	-	-

Note 19 Revenue from Operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Sale of products	3,602.29	3,681.45
Total	3,602.29	3,681.45

Note 20 Other Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Discount Received	3.54	0.49
Interest on Income Tax Refund	-	0.52
Interest on FDR	3.77	-
Net Gain on Foreign Currency transaction and translation	-	3.58
Miscellaneous Income	8.23	10.12
Total	15.54	14.71

Note 21(a) Cost of Material Consumed

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Inventory at the beginning of the year	198.20	239.05
Add : Purchases	1,492.39	1,874.93
	1,690.59	2,113.98
Less : Inventory at the end of the year	304.85	198.20
Cost of material Consumed	1,385.74	1,915.78

Note 21(b) Change in Inventories of stock-in-trade

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
<u>Inventories at the end of the year</u>		
- Semi Finished Goods	85.54	93.21
- Finished Goods	713.84	619.97
	799.38	713.18
<u>Inventories at the beginning of the year</u>		
- Semi Finished Goods	93.21	9.99
- Finished Goods	619.97	301.23
	713.18	311.22
Net (increase)/decrease	-86.20	-401.96

Note 22 Employee benefits expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Salaries and wages	611.88	589.23
Contribution to provident and other funds	18.23	19.46
Managerial Remuneration	62.45	55.80
Gratuity Expenses (refer note no 27)	13.55	5.82
Staff welfare expenses	16.95	22.58
Total	723.06	692.89

Note 23 Finance Cost

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Bank Charges	15.92	2.69
Interest expense on:		
- Borrowings	134.88	95.21
- Delayed payment of statutory dues	1.74	1.10
Total	152.54	99.00

Note 24 Other Expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Power and fuel	37.08	32.39
Rent	12.76	7.40
Insurance	7.31	5.19
Factory Expenses	0.68	0.51
Repairs and maintenance	34.41	42.22
Advertisement & Sales Promotion	341.20	78.67
Travelling and conveyance	77.08	53.45
Communication costs	3.36	3.26
Printing & Stationery	2.01	1.48
Postage & Courier	0.01	0.01
Discount Allowed	48.76	63.04
Commission & Other Expenses (Online Sales)	464.96	501.51
Delivery Related Expenses	125.45	138.98
Membership & Subscription	12.22	11.15
Security Charges	2.62	2.53
Vehicle Expenses	13.30	11.39
Rates & Taxes	5.72	10.22
Legal and professional fees	30.04	19.25
Payment to auditor (Refer Note (i) below)	5.90	3.35
Fines and Penalties	1.42	1.48
Net loss on Foreign Currency transaction and translation	1.05	-
Balance Written Off	26.47	-
Miscellaneous expenses	12.15	6.01
Total	1,265.96	993.49

Note(i) Payment to Auditors

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
Payments to the auditors comprise (net of GST input credit, where applicable):		
Statutory Audit	2.00	1.50
Tax Audit	1.00	0.75
Limited Review Audit	1.00	-
Taxation Matter	0.85	1.10
Other Matter	1.05	-
Total	5.90	3.35

Note 25 Ratios

Sr. No.	Ratios	As at March 31, 2024	As at March 31, 2023	% of Change	Reason for change if exceed 25%
1	Current Ratio	1.78	1.44	23.14%	Due to money raised in the IPO during the year, there is substantial increase in Cash & Cash equivalent.
2	Debt-Equity Ratio	0.77	5.94	-87.08%	Due to increase in share capital and issuance of shares at premium through IPO.
3	Debt Service Coverage Ratio	0.27	0.35	-21.90%	Due to reduction in Debt during the year.
4	Return on Equity (ROE)	0.11	4.73	97.72%	Due to increase in share capital post IPO.
5	Inventory Turnover Ratio	1.29	2.07	-37.75%	Due to reduction in Cost of Material Consumed and corresponding increase in Inventory in current year.
6	Trade Receivables Turnover Ratio	11.97	14.11	-15.15%	-
7	Trade Payables Turnover Ratio	4.72	5.52	-14.51%	-
8	Net Capital Turnover Ratio	4.29	8.70	-50.61%	Due to increment in working capital compared to previous year
9	Net Profit Ratio	0.02	0.07	-69.31%	
10	Return on Capital employed (ROCE)	0.11	0.28	-61.87%	Due to increase in share capital post IPO.
11	Return on investment	Not Applicable as Company does not have any investment			

The definitions of ratio / formulas used for actual computation are as follows:

- 1 Current Ratio = Current Assets/Current Liabilities
- 2 Debt Equity Ratio = Total Debt / Shareholders Equity
- 3 Debt Service Coverage Ratio = Earning available for Debt Service / Debt Service
- 4 Return on Equity (ROE) = Net Profit after taxes / Average Shareholders Equity
- 5 Inventory Turnover Ratio = Cost of goods sold / Average Inventory
- 6 Trade Receivables Turnover Ratio = Revenue from Operation / Average account receivable
- 7 Trade Payables Turnover Ratio = Net credit purchases/ Average Trade Payables
- 8 Net Capital Turnover Ratio = Revenue from Operations / Working capital
- 9 Net Profit Ratio = Profit After Tax / Revenue from Operation
- 10 Return on Capital employed (ROCE) = Profit before interest and tax /(Networth+ Total Debt + Deferred tax liability)
- 11 Return on Investment = Net Gain on Sale of Investment / Cost of Investment

Note 26 Related Party Transactions**A. Details of related parties:****(a) Key Managerial Personnel (KMP):**

Mr. Abhishek Kumar	Managing Director
Ms. Bhawna Kumar	Whole-time Director
Mr. Rajendra Kumar	Director
Mr. Abhav K Kumar	Director
Ms. Yashika Sharma	Company Secretary
Ms. Chahat Girdhar	Chief Financial Officer

(b) Promoters & their Relatives having control:

Mr. Abhishek Kumar	Managing Director
Mr. Rajendra Kumar	Director
Mrs. Kamlesh Kumar	Relative of Director

(c) Relatives of Promoters who are under the employment of the company:

Mrs. Bhawana Kumar
Mrs. Kamlesh Kumar

(d) Companies over which Directors have significant influence or control:

Dayal Hosiery Private Limited
CP&S Orthotics Private Limited

(e) Other entities over which there is significant control:

CP&S Orthotics Inc (Partnership Firm)
Dayal Hosiery (Proprietor Mr. Abhishek Kumar)

B. Details of related party transactions during the year:

Sr No.	Name of Party	Relation	Nature of Transaction	Volume of Transactions during the year		Amount Outstanding as on	
				March 31, 2024 (Rs. in Lakhs)	March 31, 2023 (Rs. in Lakhs)	March 31, 2024 (Rs. in Lakhs)	March 31, 2023 (Rs. in Lakhs)
1	Dayal Hosiery Private Limited	Companies over which Directors have significant influence or control	Loan Received/ (Repaid)	18.42	(1.85)	0.92	-
2	Dayal Hosiery	Other entities over which there is significant control	Loan Received/ (Repaid)	-	-	-	-
3	CP&S Orthotics Private Limited	Companies over which Directors have significant influence or control	Loan Received/ (Repaid)	(8.82)	7.62	-	9.00
4	Rajendra Kumar	Director	Managerial Remuneration	2.94	13.20	-	16.18
5	Rajendra Kumar	Director	Loan Received/ (Repaid)	(68.60)	23.00	-	68.60
6	Abhishek Kumar	Director	Managerial Remuneration	33.90	39.00	(2.76)	(22.75)
7	Abhishek Kumar	Director	Loan Received/ (Repaid)	-	(56.19)	-	-
8	Abhishek Kumar (New)	Director	Loan Received/ (Repaid)	(67.82)	70.00	2.18	70.00
9	Abhishek Kumar	Director	Interest Paid	3.99	5.70	-	-
10	Kamlesh Kumar	Director's Spouse	Remuneration	1.48	6.00	-	2.96
11	Bhawana Kumar	Director	Remuneration	9.58	6.00	(0.90)	0.97
12	Sunil Kumar Jain	Director	Remuneration	-	3.60	-	-
13	Sunil Kumar Jain	Director	Interest Paid	-	5.18	-	-
14	Sunil Kumar Jain	Director	Loan Received/ (Repaid)	-	(60.00)	-	-
15	CP&S Orthotics Inc	Other entities over which there is significant control	Rent Paid	2.40	2.40	-	2.14
16	CP&S Orthotics Inc	Other entities over which there is significant control	Trade Payable	-	-	-	1.04

Note 27 Defined Benefits Plans:**Gratuity (Unfunded plan)**

The details in respect of the status of funding and the amount recognised in the company's financial statements for the year ended March, 2024 and March 2023 for the defined benefit scheme are as under:

Type of Benefit	As at March 31, 2024	As at March 31, 2023
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Accounting Standard 15 Revised (AS 15R)	Accounting Standard 15 Revised (AS 15R)
Funding Status	Unfunded	Unfunded
Starting Period	01-Apr-23	01-Apr-22
Date of Reporting	31-Mar-24	31-Mar-23
Period of Reporting	12 Months	12 Months

Assumptions (Opening period)

Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	6.90%	6.90%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	10.00%	10.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Assumptions (Closing Period)

Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	7.09%	7.46%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	10.00%	10.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Table Showing Change in the Present Value of Defined Benefit Obligation

Particulars	Current Period (Rs. in Lakhs)	Previous Period (Rs. in Lakhs)
Present Value of Benefit Obligation at the Beginning of the Period	39.89	37.81
Interest Cost	2.82	2.61
Current Service Cost	5.99	4.04
Past Service Cost - Non-Vested Benefit Incurred During the Period	-	-
Past Service Cost - Vested Benefit Incurred During the Period	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(3.71)	(3.74)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	4.73	(1.26)
Actuarial (Gains)/Losses on Obligations - Due to Experience	-	0.43
Present Value of Benefit Obligation at the End of the Period	49.72	39.89

Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss for Current Period

Particulars	Current Period	Previous Period
	(Rs. in Lakhs)	(Rs. in Lakhs)
Actuarial (Gains)/Losses on Obligation For the Period	(4.73)	(0.83)
Actuarial (Gains)/Losses on Plan Asset For the Period	-	-
Subtotal	(4.73)	(0.83)
Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss	(4.73)	(0.83)

Amount Recognized in the Balance Sheet

Particulars	Current Period	Previous Period
	(Rs. in Lakhs)	(Rs. in Lakhs)
(Present Value of Benefit Obligation at the end of the Period)	(49.72)	(39.89)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(49.72)	(39.89)
Unrecognized Past Service Cost at the end of the Period	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	(49.72)	(39.89)

Net Interest Cost for Current Period

Present Value of Benefit Obligation at the Beginning of the Period	39.89	37.81
(Fair Value of Plan Assets at the Beginning of the Period)	-	-
Net Liability/(Asset) at the Beginning	39.89	37.81
Interest Cost	2.82	2.61
(Expected Return on Plan Assets)	-	-
Net Interest Cost for Current Period	2.82	2.61

Expenses Recognized in the Statement of Profit or Loss for Current Period

Current Service Cost	5.99	4.04
Net Interest Cost	2.82	2.61
Actuarial (Gains)/Losses	4.73	(0.83)
Past Service Cost - Non-Vested Benefit Recognized During the Period	-	-
Past Service Cost - Vested Benefit Recognized During the Period	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Change in Asset Ceiling	-	-
Expenses Recognized in the Statement of Profit or Loss	13.55	5.82

Balance Sheet Reconciliation

Opening Net Liability	39.89	37.81
Expense Recognized in Statement of Profit or Loss	13.55	5.82
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	(3.71)	(3.74)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	49.72	39.89

Other Details

No of Members in Service	91.00	81.00
Per Month Salary For Members in Service	10.33	8.50
Defined Benefit Obligation (DBO) - Total	49.72	39.89
Defined Benefit Obligation (DBO) - Due but Not Paid	-	-
Expected Contribution in the Next Year	-	-

Experience Adjustment

Actuarial (Gains)/Losses on Obligations - Due to Experience	0.99	(0.43)
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	-	-

Note 28 Contingent liabilities and commitments (to the extent not provided for)**(Rs. in Lakhs)**

	Particulars	As at March 31, 2024	As at March 31, 2023
a)	Contingent liabilities	NIL	NIL

Note 29 Details on derivative instruments and unhedged foreign currency exposures

- The year-end foreign currency exposures that have been hedged by a derivative instrument: Rs. Nil (Previous year Rs. Nil).
- The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise: Rs. Nil (Previous year Rs. Nil).

Note 30 Income and Expenditure in Foreign Currency**i Income earned in foreign currency (accrual basis)****(Rs. in Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023
Sales of Products	163.91	86.82
Total	163.91	86.82

ii CIF Value of Imports**(Rs. in Lakhs)**

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials	45.02	49.04
Fixed Assets- Tangible	41.20	-
Total	86.22	49.04

iii Expenditure incurred in foreign currency (accrual basis)

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Raw Materials	45.02	49.04
Shipping Charges, Shipping Expenses, Transaction Fees etc.	105.07	40.64
Advertising Fees	32.21	6.73
Membership & Subscription Charges	5.50	3.91
Total	187.80	100.32

Note 31 Segment Information

The Company operates in a single reportable segment which is governed by same set of risks and returns, thus the reporting requirements under Accounting Standard 17 'Operating Segments' have not been presented in the financial statements.

Note 32 Earnings per share (Basic & Diluted)

Particulars	As at March 31, 2024	As at March 31, 2023
Basic		
Net profit/(loss) for the year (Rs. in Lakhs)	73.89	246.08
Weightage Average Number of equity shares (in Lakhs)	16.00	15.00
Par value per share	10.00	10.00
Earnings per Share	4.62	16.41

Note 33 Initial Public Offer (IPO)

The Company has issued and allotted 6,00,000 shares having face value of Rs. 10 per shares at a premium of Rs. 175 per share through Initial Public Offer (IPO). The net issue expenses were of Rs. 160.23 Lakhs. The details of utilization of the net IPO proceeds are as follows:

Particulars	Amount (in Lakhs)	Amount (in Lakhs)
Amount received from IPO		1,110.00
Less: Deployment of funds received from IPO		
For Working Capital	391.32	
For Plant & Machinery	169.87	
For Upgradation of existing IT Software at manufacturing facility	2.72	
Issue Expenses	128.00	
Repayment of Loans	145.38	
Generate Corporate Expenses	122.70	
Total Deployment of funds till March 31, 2024		-960.00
Balance Amount to be Unutilized		150.00

Note 34 There are no transactions with Struck off Companies during the year.

Note 35 The Company has not received any whistleblower complaint during the year. No frauds had been noticed by or reported to the Company.

Note 36 During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

Note 37 There are no proceedings initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

Note 38 The Company is not declared as a wilful defaulter by any Bank or Financial institution or other lender.

Note 39 The Company has not traded or invested in Crypto Currency or Virtual Currency.

Note 40 Approval of financial statements

The financial statements for the year ended 31 March, 2024 were approved by the Board of Directors on 29th May, 2024.

Note 41 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached

For Vinay Bhushan & Associates
Chartered Accountants
FRN: 130529W

For and on behalf of the Board of Directors of
CPS Shapers Limited
(Formerly Known as CPS Shapers Private Limited)

Sd/-
CA Vinay Bhushan
Partner
Membership No : 502632

Sd/-
Abhishek Kumar
DIN:03513668
Managing Director

Sd/-
Bhawna Kumar
DIN:03587088
Whole-Time Director

Sd/-
Yashika Sharma
Company Secretary

Sd/-
Chahat Girdhar
Chief Financial Officer

Place : Mumbai
Date: May 29, 2024

Place: Mumbai
Date: May 29, 2024