



HARIA EXPORTS LIMITED

**44th ANNUAL REPORT
2013-2014**

**BOARD OF DIRECTORS**

Mr. Kantilal L. Haria
Mr. Manish K. Haria
Mr. Sunil P. Mistry
Mr. Nitin V. Oza

Chairman & Managing Director
Joint Managing Director
Director
Director

AUDITORS

M/s. Sunderji Gosar & Co.

Chartered Accountants

BANKERS

Punjab National Bank & Others

REGISTERED OFFICE

8, Subhash Road,
Vile Parle (East),
Mumbai – 400 057.

Tel.: 91-22-40973000
Fax: 91-22-40973030
Email: accounts@hariagroup.com

INVESTOR SERVICE CELL

Registrar & Transfer Agent
M/s Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S.Marg, Bhandup,
Mumbai - 400 078.
Tel : 25963838 Fax : 25946969
Email : isrl@vsnl.com

CONTENTS

	Page No.
Notice.....	2
Director's Report.....	22
Corporate Governance Report.....	34
Auditor's Report.....	58
Balance Sheet.....	64
Profit and Loss Account.....	65
Cash Flow Statement.....	66
Notes.....	67



NOTICE

Notice is hereby given that the 44th Annual General Meeting of the Members of HARIA EXPORTS LIMITED will be held on Monday, 29th September, 2014 at 9.30 a.m. at its Registered Office at 8, Subhash Road, Vile Parle (East), Mumbai – 400 057, to transact the following business:

Ordinary Business:

1. To receive, consider, approve and adopt the Balance Sheet as at 31st March 2014 and the Profit and Loss Account for the year ended as on that date and the Reports of the Directors' and Auditor's there on.
2. To appoint a Director in place of Mr. Manish Haria (DIN: 00585234) Managing Director, who retire by rotation, being eligible, offer himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit & Auditors) Rules, 2014, M/s. Sunderji Gosar & Co, Chartered Accountants, (FRN: 115543W), retiring auditors of the Company be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Forty Seventh (47th) Annual General Meeting of the Company, subject to ratification of the appointment by the Members of the Company at every Annual General Meeting, on such remuneration as may be agreed upon between the Board of Directors and the Statutory Auditors in addition to the reimbursement of service tax and actual out of pocket expenses incurred in relation with the audit of accounts of the Company.”

Special Business :

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

“RESOLVED THAT, in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in accordance with the provisions of Articles of Association of the Company, on the recommendation of Nomination and Remuneration Committee of the Board, and subject to the approval of members, consent of the Board be and is hereby accorded to the re-appointment of Mr. Kantilal Haria (DIN: 00585400) as Managing Director designated as the Chief Executive Officer, being the Chairman of the Company, for a period of 3 (Three) years with effect from January 8, 2015, on the terms and conditions including remuneration as per below details, with liberty to the Board of Directors on the recommendation of Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and / or remuneration subject to the same not exceeding the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**A. SALARY:**

Rs. 1,00,000/- per month with annual increment at such rate as may be approved by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee based on merit and taking into account the performance of the Company.

B. BONUS:

As may be decided by the Board of Directors

C. PERQUISITES & ALLOWANCE:

(i) In addition to the salary, Mr. Manish Haria will be also entitled to perquisites and allowances including medical reimbursement and leave travel concessions for self and family; telephone expenses at residence, club fees and personal accident insurance, accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs or such other perquisites and/ or cash compensation in accordance with the rules applicable to other senior executives of the Company. For the purposes of calculating the above, perquisites shall be evaluated as per Income tax Rules wherever applicable.

(ii) Company's contribution to provident fund, superannuation fund and annuity fund to the extent these are, either singly or put together, not taxable under the Income tax act; gratuity as per the Rules of the Company and encashment of leave at the end of the tenure will not be included for the purpose of computation of the overall ceiling of remuneration.

(iii) Car used on the Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

Any increment in salary and perquisite & allowance, as may be determined by the Board shall be within the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

D. REIMBURSEMENT OF EXPENSES:

Reimbursement of actual entertainment expenses, expenses incurred for travelling, board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company's business and, fuel expenses, insurance premium or other out of pocket expenses incurred in course of the official duties shall be reimbursed at actual and not considered as perquisites.

E. NATURE OF DUTIES:

(I) He will perform his duties with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.

(ii) He will act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.



(iii) He will adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

F. TERMINATION:

The office of Mr. Manish Haria will be terminated forthwith by notice in writing on the vacation of office of Director by virtue of section 167,169 and other applicable provisions of the Companies Act, 2013 or by giving 6 months notice in writing by either party.

“RESOLVED FURTHER THAT, In the event of loss or inadequacy of profits in any financial year, the Company shall pay to Mr. Manish Haria the above remuneration by way of salary, bonus and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or any statutory modifications therein or enactment thereof, as may be agreed by the Board of Directors and Mr. Manish Haria.”

“RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in accordance with the provisions of Articles of Association of the Company, on the recommendation of Nomination and Remuneration Committee of the Board, and subject to the approval of members, consent of the Board be and is hereby accorded to the re-appointment of Mr. Manish Haria (DIN: 00585234) as Joint Managing Director designated as Chief Financial Officer of the Company, for a period of 3 (Three) years with effect from January 8, 2015, on the terms and conditions including remuneration as per below details, with liberty to the Board of Directors on the recommendation of Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

A. SALARY:

Rs. 1,00,000/- per month with annual increment at such rate as may be approved by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee based on merit and taking into account the Company's performance.

B. BONUS:

As may be decided by the Board of Directors.

C. PERQUISITES & ALLOWANCE:

(i) In addition to the salary, Mr. Manish Haria will be also entitled to perquisites and allowances including medical reimbursement and leave travel concessions for self and family; telephone expenses at residence, club fees and personal accident insurance, accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances



for utilisation of gas, electricity, water, furnishing and repairs or such other perquisites and/ or cash compensation in accordance with the rules applicable to other senior executives of the Company. For the purposes of calculating the above, perquisites shall be evaluated as per Income tax Rules wherever applicable.

(ii) Company's contribution to provident fund, superannuation fund and annuity fund to the extent these are, either singly or put together, not taxable under the Income tax act; gratuity as per the Rules of the Company and encashment of leave at the end of the tenure will not be included for the purpose of computation of the overall ceiling of remuneration.

(iii) Car used on the Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

Any increment in salary and perquisite & allowance, as may be determined by the Board shall be within the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

D. REIMBURSEMENT OF EXPENSES:

Reimbursement of actual entertainment expenses, expenses incurred for travelling, board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company's business and, fuel expenses, insurance premium or other out of pocket expenses incurred in course of the official duties shall be reimbursed at actual and not considered as perquisites.

E. NATURE OF DUTIES:

(i) He will perform his duties with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.

(ii) He will act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.

(iii) He will adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

F. TERMINATION:

The office of Mr. Manish Haria will be terminated forthwith by notice in writing on the vacation of office of Director by virtue of section 167, 169 and other applicable provisions of the Companies Act, 2013 or by giving 6 months notice in writing by either party.

“RESOLVED FURTHER THAT, In the event of loss or inadequacy of profits in any financial year, the Company shall pay to Mr. Manish Haria the above remuneration by way of salary, bonus and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or any statutory modifications therein or enactment thereof, as may be agreed by the Board of Directors and Mr. Manish Haria.”



“RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to the provisions of section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) Mr. Sunil Prakash Mistry (DIN: 01673677), Director of the Company whose office was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (Five) consecutive years.”

“RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to the provisions of section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) Mr. Nitin Vasudev Oza (DIN: 02777627), Director of the Company whose office was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (Five) consecutive years.”

“RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT, pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, and rules framed thereunder, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money on such security and on such terms conditions as the Board may deem fit, in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/ to be obtained from the Companies Bankers in the ordinary course of business, shall not be in excess of Rs. 100 Crore (Rupees One Hundred Crore Only) over and above the aggregate of the paid up share capital and free reserves of the Company that is to say the reserves not set apart for any specific purpose.”



“RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution , any Director or two or more of them together be and is/are hereby authorized to finalize ,settle and execute such documents / deeds / writings /papers / agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary ,proper or desirable and to settle any question , difficulty or doubt that may arise in regard to creating mortgage / charge as aforesaid.”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT, pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act,2013, and rules framed thereunder (including any statutory modification or re-enactment thereof, for the time being in force), consent of the shareholders be and is hereby accorded to the Board of Directors of the Company to mortgage and / or charge, in addition to the mortgage / charges created / to be created by the Company, in such form and manner and with such ranking as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement (s), Debenture Trust Deed(s) or any other document entered into / to be entered into and at such time and on such terms as the Board may determine ,all or any of the movable and / or immovable properties of the Company ,both present and future and / or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favor of the Lender (s) / Agents (s) and Trustee / Trustee (s), for securing the borrowings of the Company availed / to be availed by way of loan(s) (in foreign currency and / or rupee currency) and Securities (comprising Fully / Partly Convertible Debenture and / or Non-Convertible Debentures with or without detachable or non-detachable Warrants and / or Secured Premium Notes and / or Floating Rates Notes / Bonds or other debt instruments), issued / to be issued by the Company , from time to time ,subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, additional interest , Compound interest in case of default, accumulated interest, liquidated damages, commitment charges, , remuneration of the Agent(s) / Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase between the Company and the Lender(s) / Agent(s) and Trustee / Trustee(s) ,in respect of the said loans / borrowings / debentures and containing such specific terms and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors thereof and the Lender(s) / Agent(s) / Trustee(s).”

“RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution ,any Director or two or more of them together be and is/are hereby authorized to finalize, settle and execute such documents / deeds / writings /papers / agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary ,proper or desirable and to settle any question , difficulty or doubt that may arise in regard to creating mortgage / charge as aforesaid.”

For and on behalf of the Board of Directors

Place: Mumbai
Date: 14.08.2014

Kantilal Haria
Chairman & Managing Director

**NOTES:**

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy must be duly filled in all respect and should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such a representative to attend and vote on their behalf at the meeting.
4. The Register of Members and the Share Transfer books of the Company will remain closed from Friday, 26th September, 2014 to Monday, 29th September, 2014 (both days inclusive).
5. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.
7. Members are requested to notify any change in their address/ mandate/bank details immediately to the share transfer Agent of the Company- M/s Link Intime India Private Limited.
8. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours of all days except Friday and Public Holidays between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.



9. Poll will also be conducted at the Annual General Meeting and members who has not cast his/her vote through e-voting facility may attend the Annual General Meeting and cast his/her vote.

10. VOTING THROUGH ELECTRONIC MEANS

- In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 44th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):
- The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members/ depositories as at closing hours of business, on 15th August, 2014.
- The shareholders shall have one vote per equity share held by them. The facility of e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders.
- The Company has appointed Mr. Milind Nirkhe, practicing Company Secretary, as the scrutinizer for conducting the e-voting process in the fair and transparent manner. The Scrutinizer shall within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses, not in the employment of the Company and make his report of the votes cast in favor or against and shall submit to the Chairman of the Meeting.
- The results of Annual General Meeting shall be declared within the prescribed time limits. The result of the e-voting will also be placed at the website of the Company viz. www.hariagroup.com and also on www.cdslindia.com.
- Instructions of Voting through electronic mode



- The voting period begins on 22nd September, 2014 at 9.00 a.m. and ends on 24th September, 2014 at 5.00.p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 15th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

A. In case of members receiving e-mail:

- (i) To initiate the voting process, log on to the e-voting website **www.evotingindia.com** during the voting period.
- (ii) Click on “Shareholders” tab
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:



	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>*Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field.</p> <p>*In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</p>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>#Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</p>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (xi) Click on the EVSN on which you choose to vote.
 - (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
 - (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.



- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xiv) above to cast vote.
- B) The voting period begins on 22nd September, 2014 at 9.00 a.m. and ends on 24th September, 2014 at 5.00.p.m During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 15th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

For and on behalf of the Board of Directors

Place: Mumbai

Date: 14.08.2014

Kantilal Haria

Chairman & Managing Director

**Details of Directors seeking Appointment/ Re-appointment at the Annual General Meeting****Mr. Manish Haria**

Date of Birth	:	01/12/1969
Date of Appointment	:	30/12/1988
Expertise in Specific functional area	:	Factory operation and marketing related matters.
Educational Qualification	:	B. Com
Directorship held in other Indian Public Limited Companies	:	Haria Apparels Limited
No. of Shares held in the Company	:	16, 060
Disclosure of Relationship	:	Mr. Manish Haria is related with Mr. Kantilal Haria being the Son of the later.

**Details of Directors seeking Appointment/ Re-appointment at the Annual General Meeting****Mr. Kantilal Haria**

Date of Birth	:	19/11/1940
Date of Appointment	:	28/08/1970
Expertise in Specific functional area	:	Experience of half a decade in Exports Business
Educational Qualification	:	FIBM (Fellowship on Institute of British Management)
Directorship held in other Indian Public Limited Companies	:	Haria Apparels Limited
No. of Shares held in the Company	:	34,020
Disclosure of Relationship	:	Mr. Kantilal Haria is related with Mr. Manish Haria being the Father of the later.

**Details of Directors seeking Appointment/ Re-appointment at the Annual General Meeting****Mr. Sunil Prakash Mistry**

Date of Birth	:	17/12/1977
Date of Appointment	:	02/08/2010
Expertise in Specific functional area	:	Accounts and taxation matters
Educational Qualification	:	B. Com, Associate Chartered Accountant
Directorship held in other Indian Public Limited Companies	:	Nil
No. of Shares held in the Company	:	Nil
Disclosure of Relationship	:	Nil

**Details of Directors seeking Appointment/ Re-appointment at the Annual General Meeting****Mr. Nitin Vasudev Oza**

Date of Birth	:	12/07/1969
Date of Appointment	:	15/01/2011
Expertise in Specific functional area	:	Marketing
Educational Qualification	:	B. Com,
Directorship held in other Indian Public Limited Companies	:	Haria Apparels Limited
No. of Shares held in the Company	:	Nil
Disclosure of Relationship	:	Nil

For and on behalf of the Board of Directors**Place: Mumbai**
Date: 14.08.2014**Kantilal Haria**
Chairman & Managing Director

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:****Item No. 4:**

Mr. Kantilal Haria (aged 73 years) is the Founder of Haria Exports Limited. He is the main promoter of the Company and has been actively associated with the Company since its inception and has played a key role in bringing the Company to its present heights. He has a vast experience of over half a decade in Export Business. He oversees the entire operations of the Company.

Mr. Kantilal Haria was re-appointed as a Chairman & Managing Director of the Company at the Board Meeting dated 8th January, 2010 for a period of five years which will end on 7th January, 2015. As a part of the initiative to create enduring guidance for the Company, the Board of Directors of the Company subject to the approval of members, on the recommendation of Nomination & Remuneration Committee at their meeting held on 14th August, 2014 had approved the re-appointment of Mr. Kantilal Haria as Managing Director designated as the Chief Executive Officer, being the Chairman of the Company for a further period of three years commencing from January 8, 2015 on the terms and conditions and remuneration as set out in Resolution No. 4 of the accompanying notice.

The Resolution No. 4 may be treated as a written memorandum setting out the terms of re-appointment of Mr. Kantilal Haria under Section 190 of the Companies Act 2013.

Mr. Kantilal Haria satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for their re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Resolution No. 4 may be treated as a written memorandum setting out the terms of re-appointment of Mr. Kantilal Haria under section 190 of the Companies Act 2013.

Brief resume of Mr. Kantilal Haria, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, are provided in the notice convening this meeting.



Mr. Kantilal Haria may be deemed to be interested in the proposed Ordinary Resolution to the extent of the remuneration to be drawn by him but not otherwise. Also, Mr. Manish Haria may be deemed to be interested in the said resolution, being the relative of the former.

Save and except the above, none of the other Directors of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolution.

Mr. Kantilal Haria who has attained the age of seventy years thus pursuant to Section 196 and other applicable sections of the Companies Act 2013, if any, read with Schedule V to the Act, the Board commends the Special Resolution set out at Item No.4 of the Notice for approval by the shareholders.

Item No. 5:

The Board of Directors of the Company, at its meeting held on 8th January, 2010 has, re-appointed Mr. Manish Haria as Managing Director designated as Chief Financial Officer, for a period of Five years from the expiry of his present term, which will end on 7th January, 2015, at the remuneration recommended Nomination and Remuneration Committee of the Board and approved by the Board.

Further, the Board at its meeting held on 14th August, 2014 has, subject to the approval of members, re-appointed Mr. Manish Haria as Managing Director designated as Chief Financial Officer, for a period of 3 (Three) years commencing from January 8, 2015, at the remuneration recommended by the Nomination and Remuneration Committee and approved by the Board.

It is proposed to seek the members approval for the re-appointment of and remuneration payable to Mr. Manish Haria as Managing Director designated as the Chief Financial Officer in terms of the applicable provisions of the Companies Act, 2013.



Mr. Manish Haria satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for their re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Resolution No. 5 may be treated as a written memorandum setting out the terms of re-appointment of Mr. Manish Haria under section 190 of the Companies Act 2013.

Brief resume of Mr. Manish Haria, nature of his expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, are provided in the notice convening this meeting.

Mr. Manish Haria is interested in the resolution set out respectively at Item No. 5 his respective re-appointment and remuneration payable to him. Mr. Kantilal Haria who is the relative of Mr. Manish Haria and Chairman of the Company may be deemed to be concerned or interested.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Item No. 6 & 7:

Pursuant to the provisions of section 149 of the Act, which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Securities and Exchange Board of India (SEBI) has also amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.



In view of the same & based on the recommendation of the Nomination & Remuneration Committee, it is proposed to appoint Mr. Sunil Mistry & Mr. Nitin Oza as the Independent Directors under Section 149 of the Act to hold office for 5 (five) consecutive years for a term up to the conclusion of the 49th Annual General Meeting of the Company in the calendar year 2019.

Mr. Sunil Mistry & Mr. Nitin Oza are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

Item No. 8 & 9:

Under the provisions of Section 180 of the Companies Act, 2013, the powers in respect of the Borrowings & creation of charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company. Thus, the Board of Directors of the Company can borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. up to 11th September, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company and to create mortgages/ charges/ hypothecation.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolutions mentioned at Item Nos. 8 and 9 of the Notice.

The Board commends the Resolutions at Item Nos. 8 and 9 of the Notice for approval of the shareholders by a Special Resolution.

For and on behalf of the Board of Directors

Place: Mumbai

Date: 14.08.2014

Kantilal Haria

Chairman & Managing Director



The Company has received notices in writing from members' along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Sunil Mistry & Mr. Nitin Oza for the office of Directors of the Company.

The Company has also received declarations from Mr. Sunil Mistry & Mr. Nitin Oza that they meet with the criteria of independence as prescribed under sub section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Nomination & Remuneration Committee & the Board, Mr. Sunil Mistry & Mr. Nitin Oza fulfill the conditions for appointment as an Independent Directors as specified under the Companies Act, 2013.

Brief resume of Mr. Sunil Mistry & Mr. Nitin Oza, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships, are provided in the in the notice convening this meeting.

Mr. Sunil Mistry & Mr. Nitin Oza are interested in the resolutions set out respectively at Item Nos. 6 & 7 of the Notice with regard to their respective appointments.

Save and except the above, none of the other Directors of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed Ordinary Resolutions.

The Board recommends the Ordinary Resolutions set out at Resolution Nos. 6 & 7 of the Notice for the approval of shareholders.



DIRECTOR'S REPORT

To,
The Members,
Haria Exports Limited

Your Directors hereby present the Forty Fourth Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2014.

FINANCIAL HIGHLIGHTS:

	For F. Y. 2013-14	For F. Y. 2012-13
Revenue from Operations	1,17,25,352	3,68,83,337
Others Income	1,50,41,028	1,97,86,122
Total Income	2,67,66,380	5,66,69,459
Operating Expenses	3,77,83,117	6,07,40,834
Profit / (Loss) before Depreciation, Interest and Tax	(1,10,16,737)	(40,71,375)
Depreciation	3,41,100	15,29,882
Interest	-	-
Profit / (Loss) before Taxes	(1,13,57,837)	(56,01,257)
Tax Expenses :		
Current Tax	67,01,266	-
Short / (Excess) provision for tax of earlier year (s)	-	9,280
Deferred Tax	-	(61,62,914)
Profit/(Loss) after tax from continuing operations (After Tax)	-	(10,21,379)
Profit and loss from Discontinuing operations	-	5,24,946
Less: Tax expenses on Discontinuing operations	-	(10,58,090)
Profit from Discontinuing operations (After Tax)	-	15,83,035
Profit/(Loss) for the period	(1,80,59,103)	5,61,657

**DIVIDEND:**

In view of the losses incurred by the Company during the year under review, the Board of Directors of your Company do not recommend any dividend for the year ended 31st March, 2014.

DIRECTORS:

In accordance with the provisions of Section 152 of the Companies Act, 2013 & in pursuance of the Articles of Association of the Company, Mr. Manish Haria retire by rotation, being eligible offer himself for re-appointment.

As per section 149(4) of the Companies Act, 2013, which came into effect from April 1, 2014, every listed company is required to have at least one-third of the total number of directors as Independent Directors. Accordingly, resolution proposing appointment of Mr. Nitin Oza & Mr. Sunil Mistry form part of the Notice of the Annual General Meeting and the Company has received requisite notice in writing under Section 160 of the Companies Act, 2013 in respect of their candidature.

The Company has also received declarations from all the Independents Directors of the Company confirming that they meet with the criteria of Independents as prescribed both under sub-section(6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

MANAGEMENT ANALYSIS:**Industry Structure & Development:*****The Indian Stationery and Notebook Industry***

The Indian stationery industry is built on the manufacture and trade of a broad range of paper products, writing instruments, computer and office stationery, and related items other than greeting cards, calendars or gift wrap. The industry as a whole, and the market for notebooks and exercise books in particular, is closely tied to the evolving and growing national economy and population. As the overall economic environment in India has improved, demand by businesses and increasingly well educated consumers has driven growth in the stationery industry.

According to the AC Nielsen ORG MARG Report, the Indian stationery and notebook market is approximately Rs. 80,000 million as of fiscal 2005-06, of which Rs.51,000 million is attributable to the sale of notebooks and exercise books. Total exports of paper based notebooks from India was 3% of domestic sales or Rs.1,550 million in Fy06.



The notebook industry can be broadly segmented into four categories of end users: students, schools and education authorities, offices and business customers and personal use. Out of these segments, the student population has the largest share or 80% of total consumption. Offices and business customers make up 10% of total demand while schools and education authorities are important customers with 7% of total consumption. Personal use of notebook products contributes the balance 3% of total demand.

Industry Drivers

The most important drivers of consumption in the Indian notebook and stationery industry are:

- The strength of the economy;
- The growth of consumerism and increased urbanisation;
- Large population with attractive age profile;
- increased rates of literacy;
- Increased rates of education; and
- Increased Government outlay for the education sector.

Economic Drivers

A strong economy contributes to consumption of stationery products in all sectors - office, education and personal consumers, as do increased consumerism and urbanisation. In particular, increased consumerism and urbanisation drive demand for higher quality and premium products. Increased economic growth is resulting in an increase in the middle class, which in turn is fuelling the consumer boom and demand for notebook and stationery products

Internal Control System and their adequacy :

The Company is committed to maintaining an effective system of internal control for facilitating accurate, reliable and speedy compilation of financial information, safeguarding the assets and interests of the Company and ensuring compliance with all laws and regulations. The Company has an internal control department to monitor, review and update internal controls on an ongoing basis. The Company has put in place a well-defined organization structure, authority levels and internal guidelines for conducting business transactions. The minutes of Audit Committee would be reviewed by the Board for its suggestions/recommendations to further improve the internal control systems.



The Audit Committee periodically reviews audit plans, observations and recommendations of external auditors with reference to significant risk areas and adequacy of internal controls.

Financial Analysis:

BALANCE SHEET

(RUPEES IN INR)

Particulars	31st March, 2014	31st March, 2013
Share Capital	115,500,000	115,500,000
Reserve & Surplus	36,292,971	54,352,077
Loans (Secured)	-	-
Unsecured Loans	4,577,540	3,858,540
Provision for Taxations	-	-
Net Fixed Assets	-	3,166,979
Net Current Assets	38,929,757	70,373,044

Human Resources:

The Company believes that its people are a key differentiator, especially in knowledge driven, competitive and global business environment. Adapting work culture to suit the dynamic balancing of people requirements and employee needs is an ongoing process. Fundamental HR processes which enable higher performance orientation, speed, skill and competency development, talent management and human asset are corner stones for the success of any organization. As in the past, the industrial relations continued to remain cordial at all factories / units of the Company.

DISCLOSURE UNDER THE STOCK EXCHANGE LISTING AGREEMENT:

In accordance with the amended Listing Agreement with respective Stock Exchanges, it is hereby confirmed that the Company's Shares are listed at the BSE Limited. The Company has paid the listing fees for the year 2013-2014.

**FIXED DEPOSITS:**

Your company has invited/accepted fresh deposits including unsecured loans falling within the purview of Section 58A of the Act read with the Companies (Acceptance of Deposits) Rules, 1975 during the financial year under review. However, the said Unsecured Loan which were enjoyed by the Company are from exempted categories covered under Clause 2 (b) (iv) & 2 (b) (ix) of Companies (Acceptance Deposit Rules), 1975.

AUDITORS:

M/s. Sunderji Gosar & Co., Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

The Board of Directors, based on the recommendation of the Audit Committee at their meeting held on 30th May, 2014 recommended the appointment of M/s. Sunderji Gosar & Co., Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 47th Annual General Meeting of the Company subject to approval of the Shareholders each year and ratification at every annual general meeting to be held up to the financial year 2016-2017 on such remuneration as may be approved by the Audit Committee of the Board.

AUDITOR'S REPORT:

Comments made by the Statutory Auditors in the Auditors' Report are self- explanatory and do not require any further clarification.

INTERNAL AUDITOR:

As per the Companies Act, 2013 every Listed Company shall appoint an Internal Auditor or a firm of internal auditors within a period of six months from the date of commencement of Section 139 of the Companies Act, 2013 i.e. 01.04.2014.



Your Directors have pleasure to intimate you that, your Company has appointed M/s. O.S. Agarwal & Associates (FRN: 114593W) as an Internal Auditor of the Company for the Financial Year 2014-2015, on the basis of the recommendation of Audit Committee at the meeting of the Board of Directors held on 30th May, 2014 in compliance of the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2013.

SECRETARIAL AUDIT REPORT:

As per Companies Act, 2013 every listed company and every public company having a paid up share capital of Rs. fifty crore or more; or every public company having a turnover of Rs. two hundred fifty crore or more is required to conduct Secretarial Audit by a Company Secretary in Practice.

Accordingly, the Board of Directors in its meeting held on 30th May, 2014 appointed Mr. Milind Nirkhe, Practicing Company Secretary, Proprietor of M/s. Milind Nirkhe & Associates, Practicing Company Secretaries to conduct the Secretarial Audit of the Company.

The Secretarial Audit Report will confirm that the Company has complied with all the applicable provisions of the Companies Act, 2013 and rules made thereunder, the Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, the Foreign Exchange Management Act, 1999 to the extent applicable to Overseas Direct Investment (ODI), Foreign Direct Investment (FDI) and External Commercial Borrowings (ECB), all the Regulations and Guidelines of SEBI as applicable to the Company, including the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Register to an issue and share Transfer Agents) Regulations, 1993, Secretarial Standard issued by ICSI, Listing Agreements with the Stock Exchanges and the Memorandum and Article Association of the Company, and other applicable laws/ rules/ regulations etc., if any, as mentioned in form No. MR-3 Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014.

**CORPORATE GOVERNANCE:**

Your Company is committed to achieving the best standards of Corporate Governance. To achieve this, your Company is striving to adopt best practices in Corporate Governance. The requirements of Clause 49 of the Listing Agreement have been compiled by the Company in the financial year 2013-2014. The Certificate of M/s. Milind Nirkhe & Associates, Practicing Company Secretaries regarding Compliance of the Corporate Governance Code is annexed herewith. The Company has been complying with Corporate Governance to the extent and in the manner set out in Annexure 'B' forming part of this Report.

PARTICULARS OF EMPLOYEES:

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and the Companies (Particulars of Employees) Amendment Rules, 2011. Hence, no particulars are required to be disclosed in this Report.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

Particulars of conservation of energy, Technology Absorption and Foreign Exchange earnings and outgo pursuant to section 217(1) (e) of the Companies Act, 1956, read with the rules there under is given in the Annexure – A to this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. That in the preparation of the accounts for the period ended 31st March, 2014, the applicable accounting standards have been followed along-with proper explanation relating to material departures;



2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 period.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the period ended 31st March, 2014 on a 'going concern' basis.

APPRECIATION:

We thank our Clients, Investors, Dealers, Suppliers and Bankers for their continued support during the year. We place on record our appreciation for the contributions made by employees at all levels. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

By The Order Of The Board Of Directors

Place: Mumbai

Date: 14.08.2014

Kantilal Haria

Chairman & Managing Director



ANNEXURE "A" TO DIRECTORS REPORT
PARTICULARS AS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE
REPORT OF BOARD OF DIRECTORS) RULES, 1988

FORM – A

A. PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

The management is aware of the importance of energy conservation and reviews the measures taken for reduction in the consumption of energy from time to time.

POWER FUEL CONSUMPTION	CURRENT YEAR 2013-2014	PREVIOUS YEAR 2012-2013
1. ELECTRICITY		
(a) Purchased		
Unit (000KHW)	9345	302822
Total Amount (Rs.)	70381	1974980
Rate/Unit (Rs.)	1.15	6.52
(b) Own Generation		
(I) Through Diesel Generator		
Unit	NIL	NIL
Units per ltr. of Diesel Oil	NIL	NIL
Cost/Unit	NIL	NIL
(ii) Through Steam turbine/ generoter		
Units	NIL	NIL
Units per ltr. of Diesel Oil/Gas	NIL	NIL
Cost/Units	NIL	NIL



2. COAL (SPECIFY QUALITY & WHERE USED)	-	-
Quantity (tones)	NIL	NIL
Total Cost	NIL	NIL
Average rate	NIL	NIL
3. FURNACE OIL		
Quantity (K. ltrs.)	NIL	NIL
Total Amount	NIL	NIL
Average Rate	NIL	NIL
4. OTHER / INTERNAL GENERATION (PLEASE GIVE DETAILS)		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Rate/Unit	NIL	NIL

B. CONSUMPTION PER UNIT OF PRODUCTION

PRODUCT	STANDARDS (IF ANY)	CURRENT YEAR 2013-14	PREVIOUS YEAR 2012-13
Products (with details Units			
(I) Plastic (kgs)		NIL	129923
(ii) Note Book (Dozen)			10716
Electricity (Unit KWH)		9345	302822
Furnace Oil		NIL	NIL
Coal (Specify Quality)		NIL	NIL
Others (Specify)		NIL	NIL

**NOTES:**

1. Please give separate details for different products/items produced by the Company & covered under Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.
2. Please give reasons for variation in the consumption of Power & Fuel from standards of previous year.
3. In case of Production of different varieties/specifications consumption details may be given for equivalent production

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

Require business plans for export or efforts made during the year.

The particulars of foreign exchange earned and utilised during the year are stated in Notes to Accounts (note No. 31 & 32) forming part of the Balance Sheet.

FORM B

(See rule 2)

Form for disclosure of particulars with respect to absorption.

Research and Development ® & D)

1. Specific areas in which R&D carried out by the Company	N.A.
2. Benefits derived as a result of the above R&D	N.A.
3. Future Plan of Action	N.A.
4. Expenditure on R&D:	
a. Capital	N.A.
b. Recurring	N.A.
c. Total	N.A.
d. Total R&D expenditure (as a percentage of total turnover)	N.A.

Technology Absorption, Adaption & Innovation

1. Efforts in brief, made towards technology absorption, adaption and innovation - Not Applicable
2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction product developments, import substitution etc. - Not Applicable



3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.

- | | |
|--|------------------|
| a. Technology imported and year of import | - Not Applicable |
| b. Has Technology been fully absorbed? | - Not Applicable |
| c. If not fully absorbed, areas where this
has not taken place, reasons therefore and
future plans of action | - Not Applicable |

For and on behalf of the Board of Directors

Place: Mumbai

Date: 14.08.2014

Kantilal Haria

Chairman & Managing Director



ANNEXURE 'B'

A REPORT ON CORPORATE GOVERNANCE

1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your company is committed to achieving high standard of Corporate Governance recognising the fact that management is accountable to all stakeholders for good governance. Some of the essential elements of good governance are fairness, ethics, transparency accountability and responsibility.

Consistent with this commitment yours company's practices and policies continue to meet the above attributes in all spheres of production operations and services.

World over corporate governance structures are dynamic evolve over a period of time and keep changing in the light of new developments. Ours too is an ever-evolving process. We will make every effort in raising the standard of corporate governance and will constantly review systems and procedures in order to keep pace with the changing economic environment.

2) BOARD OF DIRECTORS:**(a) Composition**

Your Company's Board comprises of 4 Directors with considerable experience in their respective fields. Of these 2 are Executive Directors and 2 are Non Executive (Independent) Directors. The Chairman of the Board is an Executive Director.

(b) Meetings and attendance during the year

5 Board Meetings were held during the financial year 1st April 2013 to 31st March 2014. All relevant and materially significant information, are submitted as part of the agenda papers well in advance of the Board Meetings.

Details of attendance of Directors in the Board Meetings during the financial year 1st April 2013 to 31st March 2014 are as under:



Sr. No.	Name of the Director	Category of Directorship	Attendance details		
			Board Meetings Attended	% of total meeting attended during the tenure as a Director	Last AGM
1.	Mr. Kantilal Haria	ED	5	100	YES
2.	Mr. Manish Haria	ED	5	100	YES
3.	Mr. Sunil Mistry	NED	5	100	YES
4.	Mr. Nitin Oza	NED	5	100	YES

ED - Executive Director; NED – Non-Executive Director

(c) Number of Board Meetings held and the dates of the Board Meeting:

During the Financial Year April 1, 2013 to March 31, 2014, 5 (Five) meetings were held on the following dates:

15th April, 2013, 30th May, 2013, 14th August, 2013, 14th November, 2013, 14th February, 2014 & 25th March, 2014.



(d) Number of Other Companies or Committees the Director is a Director / Member / Chairman:

Name of the Director & Designation	Category	No. of positions held in other public Companies		
		Board	Committee	
			Member ship	Chairman ship
Mr. Kantilal Haria	Executive Director (Chairman & Managing Director)	1	Nil	Nil
Mr. Manish Haria	Executive Director (Managing Director)	1	Nil	Nil
Mr. Sunil Mistry	Independent & Non Executive Director	Nil	Nil	Nil
Mr. Nitin Oza	Independent & Non Executive Director	1	Nil	Nil

In accordance with Clause 49 of the Listing Agreement, Memberships/ Chairmanships of Audit Committee and Shareholders'/Investors' Grievance Committees in public limited companies have been considered.

The Profile of Members of the Board of Directors are furnished hereunder:

(A) Mr. Kantilal L. Haria

Shri Kantilal L. Haria, Chairman & Managing Director, FIBM (Fellowship of Institute of British Management), is highly versatile businessman engaged in various activities ranging from business to Cultural & Social activities. He has built up World-wide contacts in export trade and to name a few they consist of Heads of States of Uganda, Tanzania, Zambia and Kenya.

His vast experience of business and capabilities of business Management has significantly contributed to the Company's growth. He was the Managing Committee Member of The Handloom Export Promotion Council, MADRAS, The Cotton Textiles Export Promotion Council, Mumbai, The Federation of Indian Export Organisations, Western Region, Mumbai and The Synthetic Textiles Export Promotion Council, Mumbai.



He led the five member sales-cum-study team sponsored by The Handloom Export Promotion Council, Madras to African Countries.

(B) Mr. Manish K. Haria

Shri. Manish K. Haria, Director, is a Commerce Graduate from Bombay University. He is the key person in the company to look after factory operations and marketing related matters, Shri. Manish K. Haria is a dynamic young man with good execution capacity. He has widely traveled outside India for the purpose of Export Business of the Company and has developed good contacts with Foreign Buyers. At young age, Shri. Manish K. Haria has been handling the entire activities of Haria Group i.e. Marketing, Overseas Tours for Export promotion, controlling the Staff/Workers., etc. Mr. Manish K. Haria is Executive Committee member in the Handloom Export Council, setup by Government of India.

(C) Mr. Sunil P Mistry

Mr. Sunil P. Mistry is a Practicing Chartered Accountant and he heads the Audit Committee. He gives valuable advice and suggestion in Accounts and taxation matters of the Company. In view of the valuable contribution received by the Company from his experience, it will be in the interest of the Company to continue him as a Director of the Company.

(D) Mr. Nitin Oza

Mr. Nitin Oza is a Senior in charge of Factory at Vapi looking after Liaison with Government Authorities. In view of the valuable contribution received by the Company from his experience, it will be in the interest of the Company to continue / appoint him as a Director of the Company.

3) AUDIT COMMITTEE:

The Audit Committee comprises of three members viz., Mr. Sunil Mistry, Mr. Manish Haria and Mr. Nitin Oza, all of whom are financially literate. All the members of the Audit Committee are Non-Executive Directors and are independent, except Mr. Manish Haria who is an Executive Director. Mr. Sunil Mistry is the Chairman of the Audit Committee. The Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on 27.09.2013. All the Members of the Audit Committee have accounting and financial management expertise.

**TERMS OF REFERENCE**

The terms of reference, role and power of the Audit Committee as revised and stipulated by the Board of Directors on the basis of recommendation of Audit Committee from time to time are in conformity and in line with the statutory and regulatory requirements as prescribed under Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, which include the following:

Role of Audit Committee:

1. Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the Management, the Annual Financial Statements before submission to the Board or approval, with particular reference to:
 - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause No. (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by Management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.



5. Reviewing, with the Management, the quarterly Financial Statements before submission to the Board for approval.
6. 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/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems.
8. 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.
9. Discussion with Internal Auditors any significant findings and follow up thereon.
10. 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.
11. 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.
12. To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower Mechanism, in case the same is existing.



14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
15. To review the following information:
- The Management Discussion and Analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
 - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal Audit Reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of Internal Auditors.
16. Approval of appointment of CFO after assessing the qualifications, experience and background etc. of the candidate.

Powers of Audit Committee

- a) To investigate any activity within its terms of reference.
- b) To seek any information from any employee.
- c) To obtain outside legal or other professional advice.
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Details of Meetings and attendance

During the year under review, the Committee met Four (4) times. The Meetings were held on 28.05.2013, 12.08.2013, 12.11.2013 and 11.02.2014.



The details of the attendance of the members of the Committee are listed below:-

Name	No. of Meetings Attended	Attendance at the last AGM held on 27/09/2013	% Of Total meetings attended during the tenure as a Director / Compliance Officer
Mr. Sunil M. Stry (Chairman)	4	YES	100
Mr. Manish Haria (Member)	4	YES	100
Mr. Nitin Oza (Member)	4	YES	100
Mr. Rajesh Parmar (Compliance Officer)	4	YES	100

REMUNERATION COMMITTEE:

(a) Terms of Reference of Remuneration Committee:

The Remuneration Committee shall have the power to determine the Company's policy on specific remuneration packages including pension rights and other compensation for executive directors and for this purpose, the Remuneration Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary.

(b) Composition, name of Members, chairman and their attendance at meetings during the year:

1 meeting on 30th May, 2013, was held during the financial year 1st April 2013 to 31st March 2014. The attendance of each member of the committee is given below.



Name of the Member	Attendance at the Remuneration Committee Meeting	% Of Total meetings attended during the tenure as a Director
Mr. Nitin Oza (Member)	1	100
Mr. Sunil M. Stry (Chairman)	1	100
Mr. Rajesh Parmar (Compliance Officer)	1	100

(c) Remuneration Policy of the Company:

The Managing Directors of the Company are entitled for payment of Remuneration as decided by the Board of Directors, based on the recommendation of the Remuneration Committee. No remuneration is paid to any Non-Executive Directors during the financial year 1st April, 2013 to 31st March 2014.

(d) Details of the Executive Directors:

Remuneration for the financial year ended 31st March, 2014:

(Rupees in Lakh)

Sr. No.	Name and Designation	Total Amount
1	Mr. Kantilal L. Haria - Chairman & Managing Director	4.80
2	Mr. Manish K. Haria - Joint Managing Director	4.20



SHAREHOLDER'S/INVESTOR'S GRIEVANCE COMMITTEE

(a) Terms of Reference of Shareholders' Grievance Committee:

In compliance with the requirement of the clause 49 of Listing Agreement, the Company has constituted a “Shareholders' Grievance Committee” to look into redressing the shareholders and investors' complaints and to expedite the process of redressal of complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

(b) Composition of Shareholders' Grievance Committee:

Sr. No.	Name and Designation	Category & Designation
1	Mr. Sunil Mistry	Independent & Non Executive Director Chairmen of the Committee
2	Mr. Kantiilal	Managing Director & Chairman Member
3	Mr. Rajesh Parmar	Compliance Officer



© Meetings of the Committee:

One meeting was held on 27/12/2013 during the financial year April 1, 2013 to March 31, 2014.

The attendance of each member of the committee is given below.

Name of the Member	Attendance at the Remuneration Committee Meeting	% Of Total meetings attended during the tenure as a Director
Mr. Sunil Mistry (Chairman)	1	100
Mr. Kantilal Haria (Member)	1	100
Mr. Rajesh Parmar (Compliance Officer)	1	100

(d) Name & Designation of the Compliance Officer:

Mr. Rajesh Parmar is the Compliance Officer of the Company.

(e) No. of Complaints received, resolved and pending during the financial year:

During the financial year, the Company has not received even a single complaint from the shareholders. There was no pending complaint from any shareholder as on 31st March 2014. Also, the number of pending share transfers as on March, 31, 2014: NIL

6. GENERAL BODY MEETINGS

**(a) Particulars of past three Annual General Meetings of the Company:**

Financial Year	Date	Venue	Time	No. of Special resolutions passed
2010-2011	27/09/2011	Gomantak Seva Sangh, Utkarsh Mandal Chowk, Malvia Marg, Vile Parle (E), Mumbai – 400057	09.30 a.m.	Nil
2011-2012	28/09/2012	1 st Floor, Vilco Centre, 8, Subhash Road, Vile Parle (East), Mumbai – 400 057	10.00 a.m.	Nil
2012-2013	27/09/2013	8, Subhash Road, Vile Parle (East), Mumbai – 400 057	09.30 a.m.	Nil

(b) Postal Ballot

The Company had not conducted any postal ballot during the year and there is no resolution proposed to be passed by postal ballot at the ensuing Annual General Meeting.

(c) Disclosure Regarding Re-appointment of Directors in the ensuing AGM:

Mr. Manish Haria, Managing Director who shall be retiring at this AGM, being eligible have offered himself for re-appointment. Brief particulars of this gentleman are as follows:

Mr. Manish Haria:



Shri. Manish K. Haria, Director, is a Commerce Graduate from Bombay University. He is the key person in the company to look after factory operations and marketing related matters, Shri. Manish K. Haria is a dynamic young man with good execution capacity. He has widely traveled outside India for the purpose of Export Business of the Company and has developed good contacts with Foreign Buyers. At young age, Shri. Manish K. Haria has been handling the entire activities of Haria Group i.e. Marketing, Overseas Tours for Export promotion, controlling the Staff/Workers., etc. Mr. Manish K. Haria is Executive Committee member in the Handloom Export Council, setup by Government of India.

7. CODE OF CONDUCT:

The Company has laid down the Code of Conduct for all Board Members and Senior Management of the company. The Code is also posted on the Company's website. All the Board members and Senior Management of the Company have affirmed compliance with their Code of Conduct for the financial year ended March 31, 2014. The Chairman and Managing Director has also confirmed and certified the same. The certification is annexed at the end of this Report.

8. SUBSIDIARIES:

Your Company does not have any Indian Subsidiary Company.

9. DISCLOSURES:

(a) Related Party Transactions:

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the company at large. The other related party transactions are given in Notes to Accounts annexed to and forming the part of Balance Sheet and Profit and Loss Account of the Company.

(b) Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed the accounting standards issued by the Companies (Accounting Standards) Rules 2006 (as amended), to the extent applicable.

(c) Non-compliance by the Company, Penalties, Strictures:

There were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

(d) Disclosure of Risk management:

The Company has initiated the risk assessment and minimization procedure.

**(f) Details of compliance with mandatory Requirements:**

The Company has complied with all mandatory requirements as mandated under Clause 49 of the Listing Agreement. A certificate from the practicing Company Secretary to this effect has been included in this report. It is also confirmed that no personnel has been denied access to the Audit Committee.

(g) Adoption of non mandatory requirements:

- **Remuneration Committee:**

The Board has set up a nomination/ remuneration Committee, details whereof are furnished in point no. 4 of this report.

- **Audit qualifications:**

The financial results of the Company are unqualified.

- **Whistle Blower Policy:**

The Company has formulated a policy for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The policy also lays down the mechanism to prohibit managerial personnel from taking adverse action against employees, who are disclosing in good faith alleged wrongful conduct on matter of public concern involving violation of law, mismanagement, misappropriation of public funds etc.

Employees aware of any alleged wrongful conduct are encouraged to make a disclosure to the Audit Committee. The policy shall also provide for direct access to the Chairman of the Audit Committee.

- **Proceeds from public issue, rights issue, preferential issue, FCCB issue, etc.**

During the year the Company has not raised any funds from public issue, rights issue, preferential issue and FCCB issue.

- **.Review of Directors' Responsibility Statement**

The Board in its Report to the Members of the Company have confirmed that the Annual Accounts for the year ended March 31, 2014 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.



- The company has complied with all the mandatory requirements. As regards the Non- mandatory requirements they have been complied with to the extent possible.

10. CEO CERTIFICATION:

In terms of the requirements of Clause 49(v) of the Listing Agreement, the CEO has submitted necessary certificate to the Board stating the particulars specified under the said clause.

11. MEANS OF COMMUNICATION:**(a) Quarterly Results / Annual Results:**

The Quarterly / Annual Results and notices as required under clause 41 of the Listing Agreement are normally published in Economic times (English & Gujarati editions)

The Company published its quarterly and half yearly results in the prescribed form within the prescribed time. The results were forthwith communicated to all the Stock Exchanges where the shares of the Company are listed and also published in Free Press Journal and Navshakti. No presentations were made to institutional investors or analysts during the year.

(b) Posting of Information on the website of the Company:

The financial results will be displayed on the Website of the Company which is under development stage.

(c) The Management Discussion and Analysis Report forms a part of the Annual Report.**12. GENERAL SHAREHOLDERS INFORMATION****(a) Annual General Meeting:**

Day & Date: Monday, September 29th, 2014

Time: 09.30 A.M.

Venue: 8, Subhash Road, Vile Parle (East), Mumbai – 400 057

**(b) Financial Year: April 2014 to March 2015****Financial Calendar:**

Events	Tentative Time
Financial Reporting for the first quarter ended 30th June, 2014	2nd Week of August, 2014
Financial Reporting for the second quarter ending 30th September, 2014	2nd Week of November 2014
Financial Reporting for the third quarter ending 31st December, 2014	2nd Week of February, 2015
Financial Reporting for the fourth quarter ending 31st March, 2015	Last Week of May 2015

© Dates of Book Closure:

Friday, 26th September, 2014 to Monday, 29th September, 2014 (Both days inclusive)

(d) Dividend Payment Date:

Interim – N.A.

Final – N.A.

(e) Listing on Stock Exchanges:**Equity Shares**

The Shares of the Company are listed on the BSE Limited.



Stock Code : 512604,
Scrip ID : HARIAEXPO
ISIN : INE772B01014

(f) Market Price Data:

High/ low of market price of the Company's equity shares traded on BSE during the last financial year 1st April 2013 to 31st March 2014 were as follows:

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)
April 2013	2.76	2.89	2.30	2.30	9,700	40	40
May 2013	2.30	2.30	1.69	1.85	29,652	38	38
Jun 2013	1.76	2.17	1.72	2.17	4,389	13	13
Jul 2013	2.27	2.49	2.27	2.49	150	3	3
Aug 2013	2.37	2.61	2.37	2.61	101	2	2
Sep 2013	2.50	2.50	1.65	1.65	4,770	25	25
Oct 2013	1.57	1.72	0.97	0.97	11,801	46	46
Nov 2013	0.93	1.05	0.81	0.81	9,692	24	24
Dec 2013	0.78	1.12	0.69	1.12	10,687	40	40
Jan 2014	1.17	2.10	1.17	1.98	19,363	84	84
Feb 2014	2.05	2.14	1.89	2.10	8,000	22	22
Mar 2014	2.20	2.20	1.13	1.14	7,706	46	46



(h) Registrar and Share Transfer Agent & Share Transfer System:

The Company's shares are traded in the Stock Exchanges in demat mode. These transfers are effected through NSDL and CDSL. Most of the transfers of shares take place in this form.

Registrar and Transfer Agent:

M/s. Link Intime India Pvt Ltd is the Depository Registrar for establishing connectivity with NSDL and CDSL for demat segment and also acts as Share Transfer Agent for physical segment. They use computerized share transfer system for processing transfer of shares. On the basis of periodic report on the various requests received from the Shareholders, the share transfer and other requests are placed for approval of Managing Director / Shareholders' Grievances Committee. Details of the share transfer requests approved by the Managing Director are placed to the Shareholders' Grievances Committee.

The Shareholders may send their share transfer and other requests to M/s. Link Intime India Pvt. Ltd at the following address:

M/s. Link Intime India Pvt. Ltd.

C - 13, Pannalal Silk Mills Compound,

L. B. S. Marg, Bhandup (West),

Mumbai - 400078.

Phone No.: 25963838 Fax: 25946969

Email: isrl@vsnl.com

The Share Transfer/Grievance Committee approves the transfer of shares and Demat Request Forms of NSDL/CDSL.

(I) Share Transfer System:

The Company's shares are traded in the BSE Ltd. compulsorily in Demat mode. Physical shares which are lodged with the Registrar & Transfer Agent or/Company for transfer are processed and returned to the shareholders duly transferred within the time stipulated under the Listing Agreement subject to the documents being in order.



The Transfer of Shares in the physical form is processed and approved twice in the month and the certificates are returned to the shareholders within 15 days from the date of receipt, subject to documents being valid and complete in all respects.

(j) **Distribution of Shareholding as on 31st March 2014:**

Distribution of Shareholding Equity Shares	No of Share holders	% of Shares held	Share Amount Rs.	Percentage
1-5000	5711	78.9357	10097140	8.7421
5001-10000	778	10.7533	6447560	5.5823
10001-20000	392	5.4181	6097090	5.2789
20001-30000	134	1.8521	3400960	2.9446
30001-40000	51	0.7049	1822760	1.5781
40001-50000	54	0.7464	2575880	2.2302
50001-100,000	54	0.7464	4000540	3.4637
100,001-Above	61	0.8431	81058070	70.1801
TOTAL	7235	100.00	11,55,00,000	100.00



Promoter's Holding	No. of Shares	Percentage of Shareholdings
Indian Promoters	3405727	29.49
Foreign Promoters	-	
Persons Acting in Concert		
Sub-Total	3405727	29.46
Non - Promoters Holding		
Institutional Investors		
Mutual Fund and UTI	840	0.01
Banking, Financial Institution/ Insurance Companies (Central / State Govt. Inst. Non-Govt. Inst.)	140	0.00
Sub- Total	980	0.01
Others	75530	0.65
Private Corporate Bodies	615271	5.33
Indian Public	7416037	64.21
NRIs/OCBs	16631	0.14
Any Other - Clearing Member	19824	0.17
Sub Total	8143293	70.50
Grand Total	11550000	100.00


Category wise distribution of Shareholding i.e. Promoters, Non-promoters, etc.

Sr. No.	Name and Designation	% of Holding
1	Indian Public	64.21
2	Promoters Holding	24.49
3	Bodies Corporate	5.33
4	NRI / OCBS	0.14
5	Mutual Fund / Financial Institutions / Bank	0.01
6	Clearing Member	0.17
7	Others	0.65
	Total	100

(k) Dematerialization of shares and liquidity:

The Shares of the Company are available for dematerialization on both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). The Shares of the Company are liquid and are included in 'S' category of shares of the Stock Exchange, Mumbai.

About 94.80% of the Equity Shares have been dematerialized as on March 31, 2014.

Company does not have any GDR / ADR / Warrants or any other convertible instruments.

**(l) Corporate Ethics:**

The constant endeavor of Haria Exports Limited is to enhance the reputation of the Company and irrespective of the goals to be achieved, the means are as important as the end. The Company has adopted “The Code of Conduct for prevention of Insider Trading”, which contains policies prohibiting insider trading.

(m) Address for Correspondence:

The shareholders may send their communication grievances / queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

HARIA EXPORTS LIMITED

8, Subhash Road, Vile Parle (East),

Mumbai – 400 057.

Telephone No. : (91 - 22) 40973000

Fax : (91-22) 40973030

E - mail : accounts@hariagroup.com

On behalf of the Board of Directors

Place: Mumbai

Date: 14.08.2014

Kantilal Haria

Chairman & Managing Director

**Certification by the Chairman & Managing Director [CMD] on Financial Statements of the Company:**

I, Kantilal L. Haria Chairman & Managing Director of Haria Exports Limited, Certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit committee
 - (i) Significant changes in internal control during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Place : Mumbai

Kantilal Haria

Date : 14.08.2014

Chairman & Managing Director

**Practicing Company Secretary's Certificate on Corporate Governance**

To,

The Members of Haria Exports Limited

We have examined the compliance of conditions of corporate governance by Haria Exports Limited, for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement.

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

NEETU AGRAWAL & CO

Neetu Agarwal

Company Secretaries

Membership No: ACS 25791

CP No: 9272

Place : Mumbai

Date : 14.08.2014

**INDEPENDENT AUDITORS' REPORT**

To,
The Members of HARIA EXPORTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **HARIA EXPORTS LIMITED**, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of the company is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular No. 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956, read with the General Circular No. 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **SUNDERJI GOSAR & CO.**
Chartered Accountant
Firm Registration No. 115543W

DHAIRYAKENIA

PARTNER

M. No: 140726

Place: MUMBAI

Date: 30.05.2014

**ANNEXURE TO THE INDEPENDENT AUDITORS REPORT.**

Referred to in Paragraph 1 under Report on Other Legal and Regulatory Requirements of our report of even date to the members of **HARIA EXPORT LIMITED** on the financial statements the year ended on 31st March, 2014. We report that:

- (I) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- (b) The company has a regular programme of physical verification of its fixed assets by which fixed assets were verified in a phased manner, designed to cover all the fixed assets over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets.
- (c) In our opinion and according to information and explanations given to us, the Company has disposed off all of its fixed assets during the year and therefore, has affected the going concern status of the company.
- (ii) (a) As informed to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures explained to us, which are followed by the management for physical verification of inventories, are in our opinion reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the explanations given to us, the company is maintaining proper records of its inventory. No material discrepancies were noticed on such physical verification as compared to the book records. However there are no closing stock at the end of the year under consideration.
- (iii) (a) According to the explanations given to us, the Company has granted unsecured loans to five parties listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 1,27,73,436/- and the year end balance of the Loan granted to such parties was Rs.78,00,000/-.



- (b) There are no terms and conditions fixed on loans given to the parties listed in the register maintained under section 301 of the Companies Act 1956, to that extent they are prejudicial to the interest of the Company.
- (c) According to the explanations given to us, the rate of interest, wherever charged, and the other terms and conditions of such loans are not prima facie prejudicial to the interest of company.
- (d) According to the explanations given to us, there is no overdue amount for more than Rs. One Lakh.
- (e) According to the explanations given to us the company has taken unsecured loans from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 32,59,000/- and the year end balance of Loan taken from such parties was Rs. 22,59,000/-.
- (f) There are no terms and conditions fixed on loans given to the parties listed in the register maintained under section 301 of the Companies Act 1956, to that extent they are prejudicial to the interest of the Company.
- (g) In our opinion and according to the information and explanations given to us, the company is regular in repayment of loan and also payment of interest wherever applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exist an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in internal control system of the company in respect of these areas.
- (v)
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which appear reasonable as per information available with the company.



- (vi) In our opinion and according to the information and explanations given to us, the provisions of sections 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules – 1975 does not apply the company in the year under consideration.
- (vii) In our opinion and as per the explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.
- (vii) We have broadly reviewed the books of account maintained by the Company pursuant to the notification of the Central Government for maintainance of cost record under section 209(1)(d) of the Companies Act, 1956 and on the basis of such review, we are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the records with a view to determine whether they are accurate or complete.
- (viii) In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of the records of the company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including, provident fund, investor education protection fund, income tax, wealth tax, sales tax, service tax, excise duty, cess and other material statutory dues applicable to it has **not** been regularly deposited during the year with appropriate authorities.
- According to the information and explanations given to us, undisputed amounts payable in respect of income tax and service tax were in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no the disputed dues.
- (ix) The Company does not have any accumulated losses at the end of the financial year, However in the year under consideration and has incurred cash losses of Rs.67,20,489/- during the financial year covered by our audit and of 40,71,376/- in the immediately preceding financial year.
- (x) In our opinion and according to the information and explanations given to us, the company has not taken any loan from financial institutions, hence there is nothing to report under this clause
- (vii) According to the information and explanations given to us and records produced before us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (viii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.



- (ix) According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (x) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions in the year under consideration.
- (xi) According to the information and explanations given to us, the company has not raised any term loans in the year under consideration, hence there is nothing to report under this clause
- (xii) According to the information and explanations given to us and on an overall examination of the balance sheet and the cash flow of the company, no funds taken in the year under consideration, hence there is nothing to report under this clause
- (xiii) According to the information and explanations given to us, the company has not made preferential allotment of shares to Promoters and Promoters group covered in the register maintained under section 301 of the Act.
- (xiv) The company has not received any money through Public Issue of Debentures.
- (xv) The company has not raised any money by public issues during the year.
- (xvi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **SUNDERJI GOSAR & CO.**

Chartered Accountants,

Firm Registration No. 115543W

DHAIRYAKENIA
PARTNER.

M. No. 140726

Place: MUMBAI

Date : 30/05/2014



HARIA EXPORTS LTD

BALANCE SHEET AS AT MARCH 31, 2014

Particulars	Note	March 31, 2014	March 31, 2013
I. EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUND			
- Share Capital	2	115,500,000	115,500,000
- Reserves and Surplus	3	36,292,971	54,352,077
Sub-Total - (A)		151,792,971	169,852,077
3 NON-CURRENT LIABILITIES			
- Long-term Borrowings	4	4,577,540	3,858,540
- Deferred Tax Liabilities (net)		-	-
- Other Current Liabilities		-	-
- Long-term Provisions		-	-
Sub-Total - (B)		4,577,540	3,858,540
4 CURRENT LIABILITIES			
- Short-term Borrowings	5	-	357,561
- Trade Payables	6	358,292	3,315,407
- Other Current Liabilities	7	10,725,396	27,920,764
- Short-term Provisions	8	252,558	143,300
Sub-Total - (C)		11,336,246	31,737,032
TOTAL (A+B+C)		167,706,757	205,447,649
II. ASSETS			
5 NON-CURRENT ASSETS			
- Fixed Assets			
Tangible Assets	9	-	3,166,979
- Non-current investments			
- Deferred Tax Assets (net)	10	927,000	7,628,265
- Long-term Loans and Assets	11	127,850,000	124,279,361
- Other Non-current Assets			
Sub-Total - (D)		128,777,000	135,074,605
6 CURRENT ASSETS			
- Current Investments		-	-
- Inventories	12	-	5,438,990
- Trade Receivables	13	33,699,863	61,600,843
- Cash and Bank Balances	14	1,245,566	548,465
- Short-term Loans and Advances	15	3,964,570	2,742,292
- Other Current Assets	16	19,758	42,455
Sub-Total - (E)		38,929,757	70,373,044
TOTAL (D+E)		167,706,757	205,447,649
Notes 1 to 43 form an integral part of this Accounts			
<div> <div> FOR SUNDERJI GOSAR & CO CHARTERED ACCOUNTANTS Firm Registration No.: 115543W DHAIRYA KENIA PARTNER M. No: 140726 Place : Mumbai DATED : 30/05/2014 </div> <div> For HARIA EXPORTS LTD Kantilal L. Haria Chairman & Managing Director Place : Mumbai DATED : 30/05/2014 </div> <div> MANISH K. HARIA Director Place : Mumbai DATED : 30/05/2014 </div> </div>			



HARIA EXPORTS LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

Particulars	Note	For the year ended March 31, 2014	For the year ended March 31, 2013
(i) Revenue form Operations:	17		
- Sale of Products		11,080,565	38,146,972
- Other Operating Income		821,317	1,384,448
Less: Excise Duty		(176,530)	(2,648,083)
(ii) Other Income	18	15,041,028	19,786,122
Total Revenue (i+ii)		26,766,380	56,669,459
Expenses			
- Cost of Material Consumed	19	3,725,509	23,519,035
- Purchase of Stock-in-Trade	20	3,547,214	-
- Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	-	-
- Employee benefit expenses	22	3,957,057	5,574,584
- Finance Cost	23	1,951,065	2,863,284
- Depreciation and amortisation expense	9	-	6,829
- Other Expense	24	341,100	1,529,882
		24,602,272	28,777,103
Total Expenses		38,124,217	62,270,716
Profit before exceptional and extra-ordinary items and Tax		(11,357,837)	(5,601,257)
Exceptional items		-	-
Profit before extra-ordinary items and Tax		(11,357,837)	(5,601,257)
Extra-ordinary items		-	-
Profit Before Tax		(11,357,837)	(5,601,257)
- Tax Expense			
Current Tax		-	-
Short / (Excess) provision for tax of earlier year(s)		-	9,280
Deferred Tax		6,701,266	(6,172,194)
Total Tax		6,701,266	(6,162,914)
Profit and loss from Continuing operations(after tax)		-	(1,021,379)
Profit and loss from Discontinuing oprations		-	524,946
Less:Tax expenses on Discontinuing operations		-	(1,058,090)
Profit from Discontinuing Operations (after tax)		-	1,583,035
Profit for the period		(18,059,103)	561,657
Equity Share of par value Rs. 10 each			
Basic		(1.56)	0.05
Diluted		(1.56)	0.05
Note 1 to 43 from an integral part of accounts			
FOR SUNDERJI GOSAR & CO.		For HARIA EXPORTS LTD	
CHARTERED ACCOUNTANTS			
Firm Registration No.: 115543W			
DHAIRYAKENIA	KANTILAL L. HARIA	MANISH K. HARIA	
PARTNER	Chairman & Managing Director	Director	
M. No: 140726			
Place : Mumbai	Place : Mumbai	Place : Mumbai	
DATED : 30/05/2014	DATED : 30/05/2014	DATED : 30/05/2014	



HARIA EXPORTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	2013-2014	2012-2013
A) NET PROFIT AFTER TAX AND EXTRAORDINARY ITEMS	(11,357,837)	(5,610,538)
DEPRECIATION	341,100	1,529,882
PROVISION FOR DOUBT DEBT	4,296,248	-
LOSS ON SALE OF FIXED ASSETS	1,214,879	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	(5,505,610)	(4,080,656)
ADJUSTMENTS FOR		
TRADE AND OTHER RECEIVABLES	26,701,396	(32,892,416)
PROVISION FOR DOUBT DEBT	(4,296,248)	-
INVENTORIES	5,438,990	6,661,995
TRADE PAYABLES	(20,043,227)	18,787,541
NET CASH FROM OPERATING PROFIT	2,295,301	(11,523,536)
B) CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	-	-
LOANS GIVEN	(3,570,639)	(2,963,361)
SALE OF FIXED ASSETS	1,611,000	26,971,309
INVESTMENTS DURING THE YEAR	-	-
DIVIDEND RECEIVED	-	-
	(1,959,639)	24,007,948
C) CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM LONG TERM BORROWINGS	719,000	(11,141,460)
PROCEEDS FROM SHORT TERM BORROWINGS	(357,561)	(1,476,300)
NET CASH USED IN FINANCING ACTIVITIES	361,439	(12,617,760.39)
NET INCREASE IN CASH AND CASH EQUIVALENTS	697,101	(133,348)
ADD CASH AND CASH EQUIVALENTS AS ON OPN. BAL.	548,465	681,813
CASH AND CASH EQUIVALENTS AS CLOSING BALANCE	1,245,566	548,465

FOR SUNDERJI GOSAR & CO
CHARTERED ACCOUNTANTS
Firm Registration No.: 115543W

For and on behalf of Board of Directors

DHAIRYAKENIA
PARTNER

Kantilal Haria

MANISH K. HARIA

M. No: 140726

Chairman & Managing Director Director

Place : Mumbai
DATED : 30/05/2014

Place : Mumbai
DATED : 30/05/2014

Place : Mumbai
DATED : 30/05/2014

**GENERAL INFORMATION :**

Haria Exports Limited ('the Company') was incorporated on 28th August, 1970 under The Companies Act, 1956. The company is in the Business of manufacturing of Notebooks and Plastic Preform and also trading of goods.

1 SIGNIFICANT ACCOUNTING POLICIES:**(I) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The financial statements are prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis and are in compliance with all material aspect the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular No. 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year

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 Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

(II) USE OF ESTIMATES:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(III) TANGIBLE FIXED ASSETS AND DEPRECIATION:**TANGIBLE FIXED ASSETS:**

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use, but does not includes amount of excise duty on which cenvat is availed. The Company has disposed all of its fixed assets during the year under consideration.

**CAPITAL WORK IN PROGRESS:**

Expenses incurred towards acquisition of fixed assets which have not been installed or not put to use before the year end are disclosed under capital work in progress and no depreciation has been provided on that. However there is no Capital Work in Progress during the year under consideration.

DEPRECIATION:

Depreciation on fixed assets is charged on written down value basis in the manner and as per the rates and method provided in schedule XIV of the Companies Act, 1956.

Fixed Assets, individually costing less than five thousands, are fully depreciated in the year of purchase.

Depreciation on Assets added / disposed off during the year have been provided on pro-rata basis with reference to the day of additions / deletions from the respective day of purchase/sale.

(IV) INTANGIBLE FIXED ASSETS AND AMORTISATION:

Intangible assets are recognized when it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives.

Expenditure incurred on acquisition/development of intangible assets which are not put/ready to use at the reporting date is disclosed under intangible assets under development. However there are no such intangible assets for the year under consideration.

(V) IMPAIRMENT OF ASSETS:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss if any is charged to Statement of Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

However there is no such impairment in the year under consideration.

(VI) INVENTORY:

Raw Material, Consumable Store & Spares and Packing Material are valued at lower of cost or net realizable value. However, these items are considered to be realizable at cost if the finished products in which they will be used, are expected to be sold at or above cost. However there is no work in progress for the year under consideration.

Finished Goods and Work in Progress are valued at lower of cost or net realizable value. Cost of Finished Goods and Work in Progress includes the cost of conversion and other costs incurred to bring the inventories to their present location and condition.

Stock in Trade is valued at lower of cost or net realizable value. However there is no stock in trade at the year end.



Cost of inventories is computed on FIFO basis.

Obsolete stock if any is valued at net realizable value.

(VII) INVESTMENTS:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Investments are recorded at cost on the date of purchase, which includes acquisition charges such as brokerage, stamp duty, taxes, etc. Current Investments are stated at lower of cost and quoted/fair value. Provision for diminution in the value of Long Term Investments is made, only if, in the opinion of the management, such a decline is regarded as being other than temporary.

However there are no such investments of the company in the year under consideration.

(VIII) GOVERNMENT GRANTS

Government Grants are recognized when there is reasonable assurance that the same will be received and all attaching conditions will be complied with. Revenue grants are recognized in the Statement of Profit & Loss account. Capital grants relating to specific Tangible/Intangible assets are reduced from the gross value of the respective Tangible/Intangible assets. Other capital grants in nature of promoter's contribution are credited to capital reserve.

However no government grants are received by the company in the year under consideration.

(IX) REVENUE RECOGNITION:

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

a) SALE OF GOODS:

Domestic Sale is recognized on dispatch to customers and is net of returns. "Sales" includes basic sales value and excise, but excludes other recoveries such as insurance, sales tax etc. Export Sales is recognised on shipment of goods.

b) OTHER OPERATING REVENUE

Other operating revenue includes labour charges on accrual basis, and scrap sales on actual sale. Export Incentives are accounted as and when they are received.

c) OTHER INCOME:

Interest is recognized on Time Proportion Basis with reference to principal outstanding and rate of Interest applicable. Rent income is received on renting their immovable properties and amenities on accrual basis.



(X) EMPLOYEE BENEFITS:

Retirement benefits to employees comprise of provident fund contributions, gratuity and leave encashment entitlements. Contribution to Provident Fund is made in accordance with the statute and provided on accrual basis. Gratuity are provided for, according to the rules of these benefit schemes, on the basis of actuarial valuation done at the year-end by independent actuaries using the Projected Unit Credit Method. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise. Leave encashment are paid in the year in which they accrue.

(XI) FOREIGN CURRENCY TRANSACTIONS:

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. The exchange difference resulting from settled transactions is recognized in the statement of profit and loss if applicable.

Year end balances of monetary items are restated at the year end exchange rates and the resultant net gain or loss is recognized in the statement of profit and loss.

Premium or discounts on forward contracts where there are underlying assets/liabilities are amortized over the life of the contract. Such foreign exchange forward contracts are revalued at the Balance Sheet date and the exchange difference between the spot rate at the date of contract and spot rate on the Balance Sheet date is recognized as gain/loss in the Statement of Profit and loss.

(XII) BORROWING COST:

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss Account in the period in which they are incurred.

(XIII) LEASES:

[a] As a Lessee:

Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

[b] As a Lessor:

If the Company has leased certain tangible assets, and such leases, where the Company has substantially retained all the risks and rewards of ownership, are classified as operating leases.

Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over lease term.



The Company's significant leasing arrangements are in respect of operating leases for administrative office and factory premises.

(XIV) TAXES ON INCOME:

Tax expense comprises of current and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the relevant accounting year in accordance with the Income Tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profit. At each Balance Sheet date the Company reassesses the unrecognized deferred tax assets.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement.

The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

The Company has the policy of reviewing and passing proper adjustment entries for Income Tax paid, Provision for Income Tax made and excess/short tax provision for the year after filing Income Tax returns. The Company also makes a fair estimate of the Income Tax liability for the said year and gives effects to it in the Books of Accounts

(XV) CASH AND CASH EQUIVALENT:

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.



(XVI) CASH FLOW STATEMENT:

Cash flows are reported using the Indirect Method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating,

investing and financing activities of the Company are segregated based on the available information.

(XVII) RESEARCH & DEVELOPMENT:

Revenue expenditure on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred. Capital Expenditure on Research and Development is shown as an addition to Fixed Assets or Work-in-Progress, as the case may be. However there are no such expenditure in the year under consideration.

(XVIII) EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

(XIX) PROVISION & CONTINGENCIES:

The company estimates the probability of any loss that might be incurred on outcome of contingencies on the basis of information available.

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on management's estimate required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the management's current estimates.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonable estimated, a disclosure is made in the financial statements.

In case of remote possibility neither provision nor disclosure is made in the financials.

A Contingent Asset is neither recognised nor disclosed in the Financial Statements.



HARIA EXPORTS LTD

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2014

Note No. 2 :- SHARE CAPITAL

(Amount in Rs.)		
Particulars	March 31, 2014	March 31, 2013
Authorised Capital :		
2,200,000 (PY 2,200,000) Equity Shares of Rs. 10 each	220,000,000	220,000,000
5,000,000 (PY:5,000,000) Preference Shares of Rs.10/- each	50,000,000	50,000,000
	270,000,000	270,000,000
Issued, Subscribed and Fully Paid up :		
EQUITY SHARE CAPITAL		
11,550,000 (PY:11,550,000) Equity Shares of Rs.10/- each fully paid up	115,500,000	115,500,000
	115,500,000	115,500,000

a. Details of Shareholding as at March 31, 2014

i. Equity / Preference Shares held by various entities:

587,952 (5.09%) (PY: 587,952 (5.09%)) Eq. Shares of Rs.10/- each held by Vilco Pharma Pvt. Ltd.

ii. Shareholders holding more than 5% of Equity / Preference Shares:

2,482,530 (21.49%) {(PY: 2,482,530 (21.49%))} Equity Shares of Rs.10/- each held by Manish K. Haria (HUF)

1183842 {(10.25%)} {(PY: 1183842 (10.25%))} Equity Shares of Rs.10/- each held by Mr. Ketan Keshvaji Shah

1041650 (9.02%) {(PY: 1,041,650(9.02%))} Equity Shares of Rs.10/- each held by Mr. Ramesh Keshvaji Shah

(Amount in Rs.)

Reconciliation of the number of Equity Shares outstanding	March 31, 2014	March 31, 2013
Particulars	Number of Shares	Number of Shares
Number of Shares at the beginning of the year	11,550,000	11,550,000
Add: Shares issued as per the scheme of arrangement	-	-
Less: Shares Forfeited	-	-
Number of Shares at the end of the year	11,550,000	11,550,000

c. Each Equity Share is entitled to one voting right only.

d. In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets remaining, after remittance to the Preference Shareholders and distribution of all preferential amounts.

Note No. 3 - RESERVES AND SURPLUS

(Amount in Rs.)				
Particulars	Opening as at April 1, 2013	Additions	Deductions/ Adjustments	Balance as at March 31, 2014
Capital Reserve	182,000		-	182,000
Share Premium Account	40,330,442	-	-	40,330,442
General Reserves	13,277,975	-	-	13,277,975
Surplus as per Profit and Loss Account	561,657	(18,059,103)		(17,497,446)
Total	54,352,077	(18,059,103)	-	36,292,971

Details of Profit and Loss Surplus is as given below:

(Amount in Rs.)		
Particulars	As at March 31, 2014	As at March 31, 2013
Net Profit/(loss) after Tax	(18,059,103)	561,657
Balance brought forward	561,657	-
Profit Available for Appropriation	(17,497,445)	561,657
APPROPRIATIONS:		
	-	-
Surplus Carried to Balance Sheet	(17,497,445)	561,657

**NOTE NO. 4 - LONG TERM BORROWINGS**

(Amount in Rs.)

Particulars	Ref Note	March 31, 2014	March 31, 2013
Unsecured Borrowings:			
a. Loans and advances from Related Parties	4.1	2,259,000	2,736,000
b. Inter Corporate Deposits	4.2	2,318,540	1,122,540
Total Long Term Borrowings		4,577,540	3,858,540

Additional Information:**4.1 Unsecured Long terms loans and advances from Related Parties :**

- a. Long Term loans from related parties are not going to be recalled before the end of 2 years.
b. There was no default in repayment of the loans.

4.2 Unsecured Inter Corporate Deposits

- a. Unsecured Inter Corporate Deposits from others are not going to be recalled before the end of 2 years.
b. There was no default in repayment of the loans.

Note No. 5 - SHORT - TERM BORROWINGS

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
Unsecured Borrowings		
a. Others		
- Temporary Bank Overdrawn a/c as per books	-	357,561
Total Short Term Borrowings	-	357,561

Note No. 6 - TRADE PAYABLES

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
Trade Payables		
- Due to Micro and Small Enterprises		
- Other than Micro and Small Enterprises		
i. To Others	358,292	3,315,407
Total	358,292	3,315,407

Note No. 7- OTHER CURRENT LIABILITIES

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
a. Current maturities of Long Term Debt	-	-
b. Deposits	3,300,000	-
c. Others		
- Creditors for Expenses	3,395,737	22,734,086
- Advance from Debtors	240,783	2,840,495
- Statutory Dues		
TDS Payable	3,649,872	2,189,802
Excise Duty Payable Payable	20,812	6,837
Service Tax Payable	4,111	
Profession tax Payable	-	200
VAT Payable	112,024	149,198
CST Payable	2,057	147
Total	10,725,396	27,920,764

Note No. 8 - SHORT TERM PROVISIONS

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
Provision for Employee Benefits		
- Salary payable	252,558	143,300
Total	252,558	143,300



Note No.9 Fixed Asset

For the Year ended 31st March, 2014

Sr. No	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		Value as on 1st April, 2013	Addition during the year	Deduction during the year	Value as at 31st March, 2014	Value as on 1st April, 2013	Addition during the year	Deduction during the year	Value as at 31st March, 2014
1	Electrical Installation	204,469	-	204,469	-	100,375	10,860	111,235	-
2	Furniture & Fixtures	513,811	-	513,811	-	299,214	29,130	328,344	-
3	Plant & Machinery	5,154,062	-	5,154,062	-	2,347,353	292,812	2,640,165	-
4	Computer	63,171	-	63,171	-	52,518	3,195	55,713	-
5	Office Equipments	17,870	-	17,870	-	7,823	1,047	8,870	-
6	Factory Equipment	-	-	-	-	-	-	-	-
7	Motor Vehicle	55,718	-	55,718	-	34,841	4,066	38,897	-
	Total (Current Year)	6,009,101	-	6,009,101	-	2,942,124	341,100	3,183,224	-
									3,186,978

**Note No. 10 - DEFERRED TAX ASSET**

(Amount in Rs.)

Particulars	March,31 2014	March,31 2013
Deferred Tax Liability		
Depreciation	-	(879,344)
Deferred Tax Asset		
On account of loss carried forward for set off	927,000	8,507,610
Total	927,000	7,628,266

Note No. 11 - LONG TERM LOANS AND ADVANCES

(Amount in Rs.)

Particulars	March,31 2014	March,31 2013
I. Secured, Considered good	-	-
II. Unsecured, Considered good		
a. Capital Advances	120,050,000	120,050,000
b. Security Deposits		
Electricity	-	19,925
Rent	-	36,000
c. Loans and Advances to Related Parties	7,800,000	4,173,436
Total Long Term Loans and Advances	127,850,000	124,279,361

Note No. 12 - INVENTORIES

(Amount in Rs.)

Particulars	March,31 2014	March,31 2013
a. Raw Materials	-	1,481,932
b. Work in Progress	-	-
c. Finished Goods (other than those acquired for trading purpose)	-	3,957,057
Total Inventories	-	5,438,990

Note No. 13 - TRADE RECEIVABLES

(Amount in Rs.)

Particulars	March,31 2014	March,31 2013
a Secured, Considered good	-	-
b Unsecured, Considered good		
- Outstanding for a period exceeding six months from the date its due	2,920,463	46,887,900
- Others	847,419	14,712,943
c. Doubtful		
- Outstanding for a period exceeding six months from the date its due	34,228,230	-
- Others	-	-
Less: Provision for Doubt Debts	(4,296,248)	-
Total Trade receivables	33,699,864	61,600,843

**Note No. 14 - CASH AND BANK BALANCES**

(Amount in Rs.)

Particulars	March,31 2014	March,31 2013
Cash and Cash Equivalents		
- Cash on hand	391,470	491,567
- Bank balance	854,096	56,898
	-	
Total Cash and Bank Balances	1,245,566	548,465

Note No. 15 - SHORT TERM LOANS AND ADVANCES

(Amount in Rs.)

Particulars	March,31 2014	March,31 2013
a. Secured, Considered good	-	-
b. Unsecured, Considered good		
- Others		
Advance To Creditors		
- Balance with revenue authorities		
Excise CENVAT	-	30,302
VAT Receivable	348,846	657,338
Service Tax Input Credit	-	98,880
Income Tax Refund (FY: 2011-12)	28,268	28,268
Income tax Refund (FY: 2012-13)	1,927,504	1,927,504
TDS Receivable (FY: 2013-14)	1,659,157	-
Total	3,963,775	2,742,292

Note No. 16 - OTHER CURRENT ASSETS

(Amount in Rs.)

Particulars	March,31 2014	March,31 2013
Others		
Prepaid Expenses	19,758	42,455
Total	19,758	42,455



NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS AS AT MARCH 31, 2014

Note No. 17 - REVENUE FROM OPERATIONS IN RESPECT OF NON FINANCE COMPANY

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
Revenue from Sale of Products		
Exports Sales	3,880,418	6,566,732
Local Sales	7,200,147	31,580,240
Other Operating Revenue		
Scrap Sales	-	908,188
Labour Charges	815,909	160,776
Export Incentives	5,408	315,484
Total Revenue from Operations	11,901,882	39,531,420

Note No. 18 - OTHER INCOME

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
Interest Income	62,585	11,587
Rent Income	14,842,380	17,127,600
Profit on sale of fixed assets	-	2,630,855
Discount Received	-	16,080
Diffrence In Foreign Exchange	44,470	-
Sundry Balance W/off	91,593	-
Total	15,041,028	19,786,122

Note No. 19 - COST OF MATERIALS INCLUDING PACKAGING MATERIALS CONSUMED

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
Raw Material-Plastic		
Opening Stock	-	601,179
Add: Purchases	-	9,766,639
Less: Closing Stock	-	-
	-	10,367,818
Raw Material-Paper		
Opening Stock	1,481,932	1,885,665
Add: Purchases	2,208,752	12,206,756
Less: Closing Stock	-	1,481,932
	3,690,684	12,610,488
Packaging Materials		
Opening Stock	-	-
Add: Purchases	34,825	109,955
Less: Closing Stock	-	-
	34,825	109,955
Consumables		
Opening Stock	-	82,501
Add: Purchases	-	348,273
Less: Closing Stock	-	-
	-	430,774
Total	3,725,509	23,519,035

**Note No. 20 - PURCHASE OF STOCK IN TRADE**

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
Stock in Trade		
Stock in Trade- Engineering Goods	3,547,214	-
	3,547,214	-

Note No. 21 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
Closing Stocks:		
Finished Goods	-	3,957,057
Work-in-Progress	-	-
Stock-in-Trade	-	-
Total (A)	-	3,957,057
Less: Opening Stocks:		
Finished Goods	3,957,057	9,531,641
Work-in-Progress	-	-
Stock-in-Trade	-	-
Total (B)	3,957,057	9,531,641
Total (A-B)		
(Increase)/Decrease in Excise Duty on Stocks		
Total	(3,957,057)	(5,574,584)

NOTE NO. 22 - EMPLOYEE BENEFIT EXPENSES

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
Salaries and Wages	912,000	1,794,823
Directors Remuneration	900,000	900,000
Contribution to Provident and Other Funds	109,096	92,312
Staff Welfare Expenses	29,969	76,149
Total	1,951,065	2,863,284

Note No. 23 - FINANCE COST

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
Interest on TDS	-	6,829
Total	-	6,829

**Note No. 24 - OTHER EXPENSES**

(Amount in Rs.)

Particulars	March 31, 2014	March 31, 2013
<u>Manufacturing Expenses</u>	-	
Power and Fuel	80,961	1,974,890
Labour & Processing Charges	136,906	451,310
Loading & Unloading charges	3,150	35,334
<u>Indirect Expenses</u>		
Rent	14,878,374	19,648,868
Discount paid	22,512	22,373
<u>Repairs and Maintenance of :</u>		
Buildings	-	-
Plant and Machinery	14,669	28,000
Others	39,359	72,483
Insurance	7,705	142,512
Listing Fees	116,136	112,559
Legal & Professional Fees	593,321	492,346
Service Charges	1,466,286	2,870,386
Postage. Telephone & Telefax	146,620	43,929
Rates and Taxes	517,781	135,685
Printing & Stationery	222,281	277,252
Travelling Exps.	3,750	74,985
Provision for Doubtful Debts	4,296,248	-
Donation	-	13,501
<u>Payment to Auditors</u>		
As Auditor	134,832	134,832
Advertisement / Other Selling Expenses	345,493	1,039,650
Transport Charges	137,335	280,872
Prior Period Expenses	98,880	590,198
Profit / Loss on Sale of Assets	1,214,879	
Sundry balance w/off	-	122,460
Bank Charges	36,467	-
Miscellaneous Expenses	88,327	212,677
Total	24,602,272	28,777,103

**25 EARNING PER SHARE:**

PARTICULARS	2013-2014 (Rupees)	2012-2013 (Rupees)
Net Profit / (Loss) as per P/L A/c.	(18,059,103)	561,657
No. of equity shares outstanding (nos.)	11,550,000	11,550,000
Basic earnings per share	(1.56)	0.05
Diluted earning per share	(1.56)	0.05

26 CONTINGENT LIABILITIES & COMMITMENTS:

PARTICULARS	2013-2014 (Rupees)	2012-2013 (Rupees)
(I) Contingent Liabilities		
(a) Claims against the company/ disputed liabilities not acknowledged as debts.	NIL	NIL
(b) Guarantees		
(i) (i) Guarantees to Banks and Financial Institutions against credit facility extended to third parties.	NIL	100,000,000
(II) Capital Commitments	NIL	NIL

27 EMPLOYEE BENEFITS:

The directors have waived off the claim in respect of gratuity as per the Payment of Gratuity Act, 1972 in the year under consideration, hence no provision for the same is made.

28 DETAILS OF AUDITORS REMUNERATION :

PARTICULARS	2013-2014 (Rupees)	2012-2013 (Rupees)
Payments to Statutory Auditor :		
As Auditors :		
For Audit Fees	134,832	134,832
TOTAL	134,832.00	134,832

29 RAW MATERIALS CONSUMED:

PARTICULARS	2013-2014 (Rupees)	2012-2013 (Rupees)
Raw Material - Plastic	-	10,367,818
Raw Material - Paper	3,690,684	12,610,488
Raw Material - Consumable	-	430,774
Raw Material - Packing Material	34,825	109,955
TOTAL	3,725,509	23,519,035

**PURCHASE OF STOCK IN TRADE**

PARTICULARS	2013-2014 (Rupees)	2012-2013 (Rupees)
Stock in Trade - Engineering Goods	3,547,214	-
TOTAL	3,547,214	-

FINISHED STOCK AND TURNOVER:

PARTICULARS	2013-2014 (Rupees)	2012-2013 (Rupees)
<u>Manufactured Goods</u>		
<u>Plastic</u>		
Sales value	-	22,383,039
Opening Stock	-	6,355,770
Closing Stock	-	-
<u>Notebook</u>		
Sales value	7,200,147	15,763,933
Opening Stock	3,957,057	3,175,871
Closing Stock	-	3,957,057
<u>Traded Goods</u>		
<u>Engineering Goods</u>		
Sales value	3,880,418	-
Opening Stock	-	-
Closing Stock	-	-


30 VALUE OF IMPORTED AND INDIGENIOUS RAW MATERIALS AND SPARES CONSUMED AND PERCENTAGE OF EACH TO TOTAL CONSUMPTION:

PARTICULARS	2013-2014		2012-2013	
	Rs.	% to total	Rs.	% to total
Raw Materials - Paper:				
Imported	NIL	NIL	NIL	NIL
Indigenous(including Value of Consumption of imported raw materials purchased through indigenous sources)	3,690,684	100%	12,610,488	100%
Total	3,690,684	100%	12,610,488	100%
Raw Materials - Plastics :				
Imported	NIL	NIL	NIL	NIL
Indigenous(including Value of Consumption of imported raw materials purchased through indigenous sources)	NIL	NIL	10,367,818	100%
Total	NIL	NIL	10,367,818	100%
Store and Spare :				
Imported	NIL	NIL	NIL	NIL
Indigenous(including Value of Consumption of imported raw materials purchased through indigenous sources)	NIL	NIL	430,774	100%
Total	NIL	NIL	430,774	100%
Packaging Material				
Imported	Nil	Nil	Nil	Nil
Indigenous	34,825	100%	109,955	100%
Total	34,825	100%	109,955	100%

31 FOREIGN CURRENCY TRANSACTIONS:

PARTICULARS	2013-2014 (Rupees)	2012-2013 (Rupees)
Value of Imports on CIF basis	NIL	NIL
Expenditure in Foreign Currency	NIL	NIL
Earnings in Foreign Exchange		
Export (including deemed) of goods (on FOB basis)	3,880,418	6,566,732

32 Foreign exchange gain (net) of Rs. 44,470/- (Previous year Rs. NIL/-) has been included in respective heads of the Statement of Profit and Loss.

**33 SEGMENT REPORTING :****1 Information about Primary segment (by business segment)**

- a. Note books.
- b. Engineering Goods
- c. Plastics

The Company's business segments are organised around product lines which have been identified taking into account the nature of products, the different risks and returns the organisational structure and internal reporting systems.

- i) Segment revenue segment results, segment assets and segment liabilities include the respective amount identifiable to each of the segment as also the amount allocated on reasonable basis. The expenses which are not directly relatable to the business segment are shown as unallocated corporate cost.

Business Segment

PARTICULARS	Note Book	Engineering Goods	Plastic	Total
Segment Revenue	72,00,147 (1,57,63,933)	38,80,418 -	- (2,23,83,039)	1,10,80,565 (3,81,46,972)
Segment Expenses	3,47,53,532 (4,27,40,585)	35,47,214 -	- (2,21,78,214)	3,83,00,746 (6,49,18,799)
Segment Results Before & Unallocable Cost	(2,75,53,386) (2,65,67,002)	3,33,204 -	- (2,04,825)	(2,72,20,182) (2,67,71,827)
<u>Add</u> : Unallocable Income				1,58,62,345 (2,11,70,570)
Profit Before Tax				(1,13,57,837) (56,01,257)
Taxes				67,01,266 61,62,914
Profit After Tax				(1,80,59,103) 5,61,657

OTHER INFORMATION:

Segment Assets	9,94,05,778 (13,48,28,858)	-	6,83,00,979 (7,06,18,792)	16,77,06,757 (20,54,47,650)
Segment Liabilities	9,94,05,778 (13,48,28,858)	-	6,83,00,979 (7,06,18,792)	16,77,06,757 (20,54,47,650)
Capital Expenditure	- -	- -	- -	- -
Depreciation	3,41,100 (5,33,758)	- -	- (9,96,124)	3,41,100 (15,29,882)

2) Information about secondary segment (by geographical segment)

Particulars	Geographical Segment		(Amount in Rs)
	Domestic	International	Total
External Revenue			
- Notebook	7,200,147 (9,197,201)	3,880,418 (6,566,732)	11,080,565 (15,763,933)
- Plastic	- (22,383,039)	- -	- (22,383,039)

34 RELATED PARTY DISCLOSURES:

LIST OF RELATED PARTIES	PARTICULAR
Subsidiaries / Associates	S Nil
Key Management Personnel	1] Kantilal Haria 2] Manish Haria
Enterprise in which key management personnel, and their relatives have significant influence	1] Kumar International 2] Plastex Products Pvt Ltd. 3] Haria Investments Pvt Ltd 4] Haria Apparel Limited 5] Best Knitting Mills Pvt Ltd
Relative of Key Management Personnel	1] Bimal Haria 2] Jaysukh Maru



Particulars		Subsidiaries/Associates	Enterprise in which management personnel and relatives are significant influence	Key Management Personnel & their Relatives	Total
1	Loan Given	-	12,000,000	50,000	12,050,000
		-	(4,335,000)	(678,436)	(5,013,436)
2	Loan Received	-	-	623,000	623,000
		-	-	(2,586,000)	(2,586,000)
3	Loan Repaid		-	1,100,000	1,100,000
			-	(14,850,000)	(14,850,000)
4	Loan Given Outstanding	-	7,800,000	-	7,800,000
		-	(3,745,000)	(428,436)	(4,173,436)
4	Loan Received Outstanding	-	-	2,259,000	2,259,000
		-	-	(2,736,000)	(2,736,000)
4	Salary	-	-	360,000	360,000
		-	-	(739,000)	(739,000)
5	Rent Paid	-	14,842,374	-	14,842,374
		-	(17,927,600)	-	(17,927,600)
6	Director Remuneration	-	-	900,000	900,000
		-	-	(900,000)	(900,000)
7	Guarantees Given	-	-	-	-
		-	(100,000,000)	-	(100,000,000)

35 LEASES

Operating Lease Payment in respect of certain office premises and factory premises on cancellable operating lease which are recognised into the Statement of Profit and Loss:

As at 31st March	2014	2013
Minimum Lease Payment	14,878,374.00	19,648,868
Total	14,878,374.00	19,648,868
As at 31st March	2014	2013
Lease Rent Received	14,842,380.00	17,127,600
Total	14,842,380.00	17,127,600



- 36 The company in the last quarter of the year under consideration was only engaged in trading of goods.
- 37 The Trade Receivables of Rs. 42,96,248/- are overdue and outstanding since three years. The management has made the provision for doubtful debts of on the overdue amount.
- 38 The balance confirmations have been sent to Sundry Debtors, Creditors, Deposits and Loans & Advances Parties, due adjustment if any shall be done on receipt of the confirmation. Management is confident of receiving all the sums due. The provisions for all known liabilities and for depreciation is adequate and not in excess of the amounts reasonably necessary.
- 39 In the opinion of the board the current assets, loans and advances are approximately of the values stated in the Balance Sheet, realized in the ordinary course of business.
- 40 In the absence of declaration from sundry creditors / suppliers with regard to their status as SSI Undertaking wherever appropriate, it is not possible to determine the amount, payable to sundry creditors falling within the meaning of SSI Undertaking.
- 41 Disclosure under Micro, Small and Medium Enterprises development Act, 2006. The Company has not received any memorandum (as required to be filed by the suppliers with notified authority under the Micro, Small and Medium Enterprises development Act, 2006) claiming their status as micro, small and medium enterprises. Consequently the amount paid/payable to these parties during the period under review is NIL
- 42 Sundry balances are written off amounting to net Rs. 91,593/(Cr Balance) - as per the resolution passed by the Board of Directors at their meeting held on 15th April, 2014
- 43 Previous Year Figures have been regrouped & reclassified/rearranged wherever necessary.

As per Report of the even date attached.

FOR SUNDERJI GOSAR & CO.
CHARTERED ACCOUNTANT
FIRM REG. NO. 115543W

FOR HARIA EXPORTS LTD

DHAIRYAKENIA
PARTNER
M. No: 140726

KANTILAL HARIA
Managing Director

MANISH HARIA
Director

Date:- 30/05/2014
Place: Mumbai

**ATTENDANCE SLIP**

Annual General Meeting on 29th September, 2014

Regd. Folio No. :

No. of shares held :

Name of the Member/Proxy:

.....

I certify that I am a registered Member /proxy for the registered Member of the Company.

I hereby record my presence at the Annual General Meeting of the Company to be held at 8, Subhash Road, Vile Parle (East), Mumbai -400057 at 9.30 a.m. and at any adjournment thereof.

.....

.....

*Proxy's Name

Member's /Proxy's Signature

*(To be filled if the Proxy attends instead of the Member)

Note: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL.

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L51900MH1970PLC014758

Name of the Company: HARIA EXPORTS LIMITED

Registered Office: 8, Subhash Road, Vile Parle (East), Mumbai -400057

Name of the member (s) :

Registered address :

E-mail Id:

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of shares of the above named company, hereby
Appoint

1. Name :

Address :

E-mail Id :

Signature :....., or failing him

2. Name :

Address:

E-mail Id :

Signature:....., or failing him

3. Name :

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the
..... Annual general meeting/ Extraordinary general meeting of the company, to be
held on the day of..... At..... a.m. / p.m. at..... (place) and at any
adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

1.....

2.....

3.....

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

BOOK-POST

If undelivered, Please return to:

HARIA EXPORTS LIMITED

Haira Centre, 8, Subhash Road,
Vile Parle (E), Mumbai - 400 057.

Tel. No. : 4097 3000