



**HARIA EXPORTS LIMITED**

**49<sup>TH</sup> ANNUAL REPORT**

**2018-2019**



BOARD OF DIRECTORS	Mr. Kantilal L. Haria Mr. Utsav Jaysukh Maru Mr. Nitin V. Oza Mrs. Nehaben Joy Kothari Mrs. Sushila Kirti Oza	Chairman & Managing Director Joint Managing Director Director Director Director (w.e.f. 01/10/2018)
AUDITORS	M/s. Kanak Rathod & Co.	Chartered Accountants
BANKERS	Punjab National Bank	
REGISTERED OFFICE	8, Subhash Road, Vile Parle (East) Mumbai - 400 057.	Tel. : 91-022-61546154 Fax.: 91-022-61546155 Email: <a href="mailto:accounts@hariagroup.com">accounts@hariagroup.com</a>
INVESTOR SERVICE CELL	Registrar & transfer Agent M/s. Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400 083. Tel.: 4918 6000 Fax.: 4918 6060 Email : <a href="mailto:mumbai@linkintime.co.in">mumbai@linkintime.co.in</a>	

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## NOTICE

**Notice** is hereby given that the **FORTY - NINETH ANNUAL GENERAL MEETING** of the Members of **HARIA EXPORTS LIMITED** will be held on **Monday, 30<sup>th</sup> September, 2019 at 09:30. A.M.** at its Registered Office at **8, Subhash Road, Vile Parle (East), Mumbai – 400057** to transact the following business:

### **Ordinary Business:**

- 1.** To receive, consider, approve and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019, together with the Reports of the Board of Directors & Auditors thereon.
- 2.** To appoint a Director in place of **Mr. Kantilal Haria (DIN: 00585400)**, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
- 3.** To appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s. Kanak Rathod & Co. (FRN. 104700W), Chartered Accountants, Mumbai, as Statutory Auditors of the Company to hold office for the period of 5 (Five) years from the conclusion of **FORTY SIXTH** Annual General Meeting (AGM) until the conclusion of the Annual General Meeting to be held in the year 2021, to examine and audit the accounts of the Company at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

### **Special Business:**

- 4.** To appoint Mrs. Sushila Kirti Oza (DIN: 07543069) as Director and Independent Director in this regard to consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 161 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Sushila Kirti Oza (DIN : 07543069), who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. October 1<sup>st</sup>, 2018 and who holds office till the date of this AGM, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**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."

### **Notes:**

**1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him and a proxy need not be a member of the company.** Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the Meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.



- 2. Corporate Members:** Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- 3.** A 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.
- 4.** Members/ Proxies should bring the enclosed attendance Slip duly filled in, for attending the Annual General Meeting, along with their copy of the Annual Report. Copies of the Annual Report will not be distributed at the Meeting.
- 5.** Since there is no Dividend or Corporate Action, the management has decided not to fix any Book Closure.
- 6.** 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 PVT. LTD.**
- 7.** Members holding shares in physical form are requested to advise any change of address immediately to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Share Registrars and Transfer Agents.
- 8.** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Share Registrars and Transfer Agents.
- 9.** Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Share Registrars and Transfer Agents for assistance in this regard.
- 10.** All documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays and Public Holidays between 11.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting.
- 11.** Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- 12.** In terms of and in compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility as an alternate to all its Members to enable them to cast their vote electronically instead of casting the vote at the Meeting. The Members who have cast their votes by remote e-voting may participate in the Meeting even after exercising their right to vote through remote e-voting but shall not be allowed to cast vote again at the Meeting. For this purpose, the Company has entered into an agreement with NSDL for facilitating e-voting to enable the Shareholders to cast their votes electronically. The Company is also providing facility for voting by Ballot at the Annual General Meeting apart from providing remote e-voting facility for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.
- 13.** The remote e-voting facility shall be opened from, **Friday, 27<sup>th</sup> September, 2019 at 9.00 a.m. to Sunday, 29<sup>th</sup> September, 2019 till 5.00 p.m.,** both days inclusive. The remote e-voting facility shall not be allowed beyond 5.00 p.m., on **Sunday, 29<sup>th</sup> September, 2019.** During the period when facility for remote e-voting is provided, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date, may opt for remote e-voting. Provided that once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.



**14.** The Company has fixed **Monday, September 23, 2019** as the cut-off date for identifying the Shareholders for determining the eligibility to vote by electronic means or in the Meeting by Ballot. Instructions for exercising voting rights by remote e-voting are attached herewith and forms part of this Notice. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off/ entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting.

**15.** Any person who becomes a member of the Company after the dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e., **Monday, September 23, 2019**. May obtain the User ID and Password by sending an email. Members may also send a request to Mr. Kantilal Haria, Compliance Officer, by writing to him at 8, Subhash Road, Vile Parle (East), Mumbai - 400 057.

**16.** The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on **Monday, September 23, 2019**, the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or at the Meeting by Ballot.

**17.** The Notice of the Meeting is being placed on the website of the Company viz., [www.hariagroup.com](http://www.hariagroup.com) and on the website of NSDL viz., [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**18.** Mr. Harshad Mane, Company Secretary in Whole Time Practice, (CP No. 9537) has been appointed as a Scrutinizer for conducting the voting by Ballot at the Meeting and remote e-voting process in a fair and transparent manner.

**19.** The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, and thereafter unblock the votes cast through remote e-voting, in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer will collate the votes cast at the AGM and votes downloaded from the e-voting system and make, not later than twenty four hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the result of the voting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.hariagroup.com](http://www.hariagroup.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com), immediately after the results are declared by the Chairman.

**20. The instructions for members for voting electronically are as under:**

The voting period begins on **Friday, 27<sup>th</sup> September, 2019 at 9.00 a.m. to Sunday, 29<sup>th</sup> September, 2019 till 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, **Monday, September 23, 2019** may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :



Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.



**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to clients@harshadmane.com with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

By Order of the Board of Directors  
For **Haria Exports Limited**

**Date : 30/05/2019**  
**Place : Mumbai**

**KANTILAL LAKHAMSHI HARIA**  
**CHAIRMAN**  
**DIN No. 00585400**



**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Item No. 4 :**

As per the provisions of Section 149 of the Companies Act 2013 (Act), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should have at least one Woman Director. The Board of Directors at their meeting held on October 1<sup>st</sup>, 2018 appointed, Mrs. Sushila Kirti Oza (DIN : 07543069) as an Additional Director w.e.f October 1<sup>st</sup>, 2018.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Sushila Kirti Oza (DIN : 07543069) for the office of Director of the Company.

Section 149 of the Act inter alia stipulates the criteria of independence. As per the said Section 149, an independent director shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mrs. Sushila Kirti Oza (DIN : 07543069) that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mrs. Sushila Kirti Oza (DIN : 07543069) fulfills the conditions for her appointment as an Independent Director as specified in the Act and rules made there under and the Listing Regulation. Mrs. Sushila Kirti Oza (DIN : 07543069) is an independent of the management.

Brief resume of Mrs. Sushila Kirti Oza (DIN : 07543069), nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships / chairmanships of Board Committees and shareholding, if any, as stipulated under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, are provided in the notice convening this meeting.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Mrs. Sushila Kirti Oza (DIN : 07543069) is appointed as an Independent Director.

Save and except Mrs. Sushila Kirti Oza (DIN : 07543069) and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board commends the Ordinary Resolution set out at Item 4 of the Notice for approval by the shareholders.

**Details of Directors seeking Appointment/ Re-appointment at the Annual General Meeting :**

<b>Name of the Director</b>	<b>Mrs. Sushila Kirti Oza</b>	<b>Mr. KANTILAL HARIA</b>
Date of Birth	06.09.1979	19.11.1940
Date of Appointment	01.10.2018	28.08.1970
Expertise in specific functional area	Administration	Finance & Marketing
Qualification	<b>B.Com</b>	<b>FBIM</b>
Directorship held in other Indian public limited Companies	1	1
Chairman/ Member of the Committee Board of Directors of the other Indian public limited Companies	<b>Non Executive Independent Director</b>	<b>Executive Director</b>
No. of shares held in the Company	NIL	3371707
Disclosure of Relationship	NIL	NIL

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## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Forty-Ninth-Annual Report of the Company together with the Audited Statement of Accounts for the Financial Year ended March 31, 2019.

### FINANCIAL HIGHLIGHTS (Standalone):

Particulars	Financial Year ended	
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Total Income	91,16,362	2,01,01,839
Expenditure	10,01,190	1,19,18,435
Profit before Depreciation, Finance Charges and Tax	81,15,172	81,83,404
Interest and Finance Charges	NIL	NIL
Depreciation	NIL	NIL
Profit before Tax	81,15,172	81,83,404
Taxes paid and provided	NIL	NIL
Profit after Tax	81,15,172	81,83,404
Transferred to Reserves	NIL	NIL
Proposed Final Dividend	NIL	NIL
Dividend distribution tax	NIL	NIL
Balance (credit/debit) to be carried to balance sheet	81,15,172	81,83,404

### OPERATIONAL PERFORMANCE:

- Revenue from operations during the year is Rs.0.91 Cr as compared to previous year Rs.2.01 Cr.
- The Company has gain a profit during the year is Rs.0.81 Cr as Compared to Last Year's Profit of Rs.0.82 Cr

### MANAGEMENT DISCUSSION & ANALYSIS:

The detailed Management Discussion & Analysis Report for the year under review, as stipulated under Listing Regulations is presented in a separate section forming part of the Annual Report.

### DIVIDEND:

In view of the profit incurred by the Company during the financial year under review your Directors are unable to recommend any dividend for F.Y. 2018-2019.

### TRANSFER TO RESERVES:

The Company has not transferred any amount to the Reserves during the Year under Review.

### AUDITORS REPORT

Comments made by the Statutory Auditors' Report are Self-Explanatory and do not require any further clarification.

**SHARE CAPITAL:**

The paid up Equity Share Capital as on March 31, 2019 was Rs. 11,55,00,000/- During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

**RELATED PARTY TRANSACTIONS:**

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015. There were no materially significant Related Party Transactions made by the Company during the year.

All Related Party Transactions are placed before the Audit Committee for approval. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

**RISK MANAGEMENT:**

Your Company has adopted a Risk Management Policy/ Plan in accordance with the provisions of the Companies Act, 2013 and Listing Regulations. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status.

This risk management process covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlights risks associated with chosen strategies.

**DIRECTORS:**

Your Company's Board comprises of 5 Directors with considerable experience in their respective fields. Of these 2 are Executive Directors and 3 Non Executive (Independent) Directors. The Chairman of the Board is an Executive Director. There has been change in composition of Directors during the year.

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**REAPPOINTMENT OF DIRECTORS:**

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Kantilal Haria (DIN: 00585400) retires by rotation and being eligible offer himself for re-appointment. Directors recommend his re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 (1) (b) of the Listing Regulations.

In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

- **BOARD AND COMMITTEE MEETINGS:**

Your Company's Board of Directors met 5 times during the financial year under review dated 30<sup>th</sup> May 2018, 14<sup>th</sup> August 2018, 1<sup>st</sup> October 2018, 14<sup>th</sup> November 2018, and 14<sup>th</sup> February 2019. A calendar of Meetings is prepared and circulated in advance to your Directors.

Details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Act and the Listing Regulations.



- **AUDIT COMMITTEE**

Audit Committee of the Company as constituted by the Board is headed by Mr. Nitin Vasudev Oza, Mr. Mohith Ramamurthy Suddala upto 30/09/2018 and Mrs. Nehaben Kothari, SUSHILA OZA from 01/10/2018. as Members. There have not been any instances during the year when recommendations of the Audit Committee were not accepted by the Board. All the recommendations made by the Audit Committee were accepted by the Board.

- **PROCEDURE FOR NOMINATION AND APPOINTMENT OF DIRECTORS:**

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, and financial condition and compliance requirements.

The Nomination and Remuneration Committee conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing and vetting the resume of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

- **NOMINATION AND REMUNERATION COMMITTEE**

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, 2018 to 31st March 2019 except sitting fee for attending Board meetings and committee meetings.

- **CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR:**

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

**Independence:** In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he / she meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013 and Regulation 16 (1) (b) of the Listing Regulations.

**Qualifications:** A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

**Positive Attributes:** In addition to the duties as prescribed under the Companies Act, 2013 the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

- **ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board had carried out evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter alia structure of the Board, including qualifications, experience and competency of Directors, diversity in Board and process of



appointment; Meetings of the Board, including regularity and frequency, agenda, discussion and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance Redressal for investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent Directors to perform their role effectively; evaluation of management's performance and feedback, independence of management from the Board, access of Board and management to each other, succession plan and professional development; degree of fulfillment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and management.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director & CEO.

Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors. The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

- **REMUNERATION POLICY:**

Your Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and Senior Management, pursuant to the provisions of the Act and Listing Regulations.

The philosophy for remuneration of Directors, Key Managerial Personnel of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy of the Company is aligned to this philosophy.

**The Nomination and Remuneration Committee has considered the following factors while formulating the Policy:**

(i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

(ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Details of the Remuneration Policy are given in the Corporate Governance Report.

**LISTING OF SHARES:**

Your Company's shares are listed on the BSE Limited. The Company has paid the listing fees for the year 2018-2019.

**CORPORATE GOVERNANCE:**

Your Company has implemented all the mandatory requirements pursuant to Listing Regulations. A separate report on Corporate Governance is given as a part of the Annual Report along with the certificate received from the Practicing Company Secretary, M/s. Harshad Mane, Company Secretaries in practice, confirming the compliance.

**PUBLIC DEPOSITS:**

The Company has not accepted any Deposits within the meaning of Section 73 of the Companies Act, 2013 and the Rules made there under. Hence, there is nothing to Report in this Matter.

**INTERNAL FINANCIAL CONTROLS:**

Your Company has in place adequate internal financial controls with reference to financial statements. Your Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

**CORPORATE SOCIAL RESPONSIBILITY:**

As a socially responsible Company, your Company has a strong sense of community responsibility. The Company however, does not fall within the Criteria as laid down by the Act is not required to constitute a CSR Committee. Further the Company has been suffering a loss for the Last two Years; hence the Company has not formulated any Policy.

**POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action.

The Company has not received any complaint of sexual harassment during the financial year 2018-19.

**VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

**AUDITORS:****STATUTORY AUDITORS:**

**KANAK RATHOD & CO** Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible to offer themselves for re-appointment.

**M/s KANAK RATHOD & CO**, have furnished a certificate, confirming that if re-appointed, their re-appointment will be in accordance with Section 139 read with Section 141 of the Act. Pursuant to the provisions of the Act and the Rules made there under, it is proposed to appoint **M/s KANAK RATHOD & CO**; as the statutory auditors of the Company from the conclusion of the forthcoming AGM till the



conclusion of the 51<sup>st</sup> Annual General Meeting to be held in 2021, subject to ratification at every subsequent Annual General Meeting held after this Annual General Meeting.

Members are requested to consider the re-appointment of **M/s KANAK RATHOD & CO** and authorize the Board of Directors to fix their remuneration.

**SECRETARIAL AUDITORS:**

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed CS Harshad Mane, Practicing Company Secretary (Proprietor), Practicing under the name & style M/S Harshad Mane & Associates, CP No: 9537 to undertake the Secretarial Audit of the Company for the year ended 31st March, 2019. The Secretarial Audit Report is annexed as Annexure. The Secretarial Audit Report for the Financial Year ended March 31, 2019 contain certain qualification, reservation, adverse remark or disclaimer & which are suitably replied by the Board in their Report.

**COST AUDITOR:**

The Company is engaged in the business of trading of Engineering of Goods. The following falls under table "C" under the CETA Heading 7323. However Since, the Overall turnover of the Company is neither rupees 100 crores nor more and nor is the Turnover rupees 35 crore from individual products during the Year thus it was not required to appoint a Cost Auditor during the Year.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

No Loans or Guarantees are given nor are any Investments made by the Company under Section 186 of the Companies Act, 2013.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

**No Material** changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

**No Significant and Material Orders have been passed by the** regulators or courts or tribunals impacting the going concern status and company's operations in future during the Year under Review.

**DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES AND FINANCIAL PERFORMANCE THEREOF**

The Company has neither any Subsidiary Company nor any Associate Companies. Further No Company has ceased to be the Subsidiary Company during the Year under Review. Hence there is nothing to Report in this Matter.

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

The Information Regarding Conservation of Energy & Technology Absorption is provided for in Annexure II

**Foreign Exchange Earnings and Outgo:**

**Amount (Rupees)**

Total Foreign Exchange Inflow	NIL
Total Foreign Exchange outflow	NIL

**PARTICULARS OF EMPLOYEES:**

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under Rule 5 (2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules. Hence, no particulars are required to be disclosed in this Report.

The information required under Section 197 (12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed.

The ratio of remuneration of each Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in remuneration of the Directors during the financial year 2018-19 are given below:

Directors	Ratio to Median	Percentage Increase in Remuneration
NIL	NIL	NIL

**EXTRACT OF ANNUAL RETURN:**

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in form MGT.9 is annexed as Annexure I.

**AUDITORS' REPORT:**

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

**DIRECTORS' RESPONSIBILITY STATEMENT:**

In terms of the provisions of Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, and to the best of their knowledge and belief and according to the information and explanations obtained by them and same as mentioned elsewhere in this

Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

(ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) they have prepared the annual accounts on a going concern basis;

(v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;

(vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**ACKNOWLEDGEMENT :**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

By Order of the Board of Directors  
FOR **HARIA EXPORT LIMITED**

Place : **MUMBAI**  
Date : **30.05.2019**

**KANTILAL LAKHAMSHI HARIA**  
**CHAIRMAN**  
**DIN No. 00585400**



Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

**as on the Financial Year ended on 31<sup>st</sup> March, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: - L51900MH1970PLC014758  
ii) Registration Date: - 28/08/1970  
iii) Name of the Company: - HARIA EXPORTS LIMITED  
iv) Category / Sub-Category of the Company: Company limited by shares  
v) Address of the registered office and Contact details: 8, SUBHASH ROAD, VILE PARLE (EAST), MUMBAI - 400 057.  
vi) Whether listed company Yes / ~~No~~  
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: M/S.

LINK INTIME INDIA PVT LTD

C - 101, 247 Park,  
L. B. S. Marg, Vikhroli (West),  
Mumbai - 400 083.  
Phone No.: 4918 6000 Fax: 4918 6060  
Email: [Mumbai@linkintime.co.in](mailto:Mumbai@linkintime.co.in)

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Trading of Paper , Note Books	6110	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% OF SHAREHOLDING	APPLICABLE SECTION
NIL	NIL	NIL	NIL	NIL	NIL
NIL	NIL	NIL	NIL	NIL	NIL



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/ HUF	3405727	NIL	3405727	29.49	3405727	NIL	3405727	29.49	NIL
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total shareholding of Promoter (A)	3405727	NIL	3405727	29.49	3405727	NIL	3405727	29.49	NIL
(2) Foreign									
(a) NRIs -Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b) Other – Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(c) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(d) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(e) Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (A) (2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	3405727	NIL	3405727	29.49	3405727	NIL	3405727	29.49	NIL
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	NIL	840	840	0.01	NIL	840	840	0.01	NIL
b) Banks / FI	NIL	140	140	0.00	NIL	140	140	0.00	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL



f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(1):-	NIL	980	980	0.01	NIL	980	980	0.01	NIL
2. Non-Institutions									
a) Bodies Corp.	220416	366140	586556	5.08	224820	366140	590960	5.12	0.04
i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	2933636	224644	3158280	27.34	2923139	218624	3141763	27.20	(0.14)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	4046045	NIL	4046045	35.03	4133811	NIL	4133811	35.79	0.76
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Non Resident Indians -Repat	18640	NIL	18640	0.16	13640	NIL	13640	0.12	(0.04)
-Non Repat	2067	NIL	2067	0.02	8707	NIL	8707	0.07	0.05
Overseas Corporate Bodies	75530	NIL	75530	0.65	NIL	NIL	NIL	0.00	(0.65)
Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Clearing Members	18844	NIL	18844	0.17	15371	NIL	15371	0.13	(0.04)
Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Bodies - D R	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
HUF	237331	NIL	237331	2.05	238941	NIL	238941	2.07	0.02
Sub-total (B)(2):-	7552509	590784	8143293	70.50	7558529	584764	8143293	70.50	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	7552509	591784	8144273	70.51	7558529	585744	81444273	70.51	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	10958236	591764	11550000	100.00	10964256	585744	11550000	100.00	NIL



(ii) **Shareholding of Promoters**

	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kantilal Lakhams hi Haria	3371707	29.20	NIL	3371707	29.20	NIL	NIL
2	Kantilal L Haria (HUF)	34020	0.29	NIL	34020	0.29	NIL	NIL
	TOTAL	3405727	29.49	NIL	3405727	29.49	NIL	NIL

(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

SN		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	34,05,727	29.49%	34,05,727	29.49%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus/ sweatequity etc):	NIL (No Change)	NIL (No Change)	NIL (No Change)	
	At the end of the year	34,05,727	29.49%	34,05,727	29.49%



**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	40,75,830	35.29%	40,88,066	35.39%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.	N.A	N.A	N.A	N.A
	At the End of the year ( or on the date of separation, if separated during the year)	40,75,830	35.29%	40,88,066	35.39%



**(v) Shareholding of Directors and Key Managerial Personnel:**

<b>Sl. No.</b>		<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<i>No. of shares</i>	<i>% of total shares of the company</i>	<i>No. of shares</i>	<i>% of total shares of the company</i>
	<i>For Each of the Directors and KMP</i>				
	<i>At the beginning of the year</i>	33,71,707	29.19%	33,71,707	29.19%
	<i>Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease(e.g. allotment / transfer / bonus/ sweat equity etc):</i>				
	<i>At the End of the year</i>	33,71,707	29.19%	33,71,707	29.19%



## V. INDEBTEDNESS

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	1,00,000	NIL	1,00,000
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	1,00,000	NIL	1,00,000
<b>Change in Indebtedness during the financial year</b>				
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	NIL	NIL	NIL	NIL
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	1,00,000	NIL	1,00,000
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	1,00,000	NIL	1,00,000



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Kantilal Haria Managing Director	---	---	---	
1	Gross salary	NIL	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	NIL	NIL
	Ceiling as per the Act					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/WTD**

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission - as % of profit others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL



## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

By Order of the Board of Directors  
For **Haria Exports Limited**

Date : 30-05-2019  
Place : Mumbai

**KANTILAL LAKHAMSHI HARIA**  
Chairman  
DIN No. 00585400





## ANNEXURE II

### CONSERVATION OF ENERGY

Sr. No.	Particulars	Details
1	the steps taken or impact on conservation of energy	N.A.
2	the steps taken by the company for utilizing alternate sources of energy	N.A.
3	the capital investment on energy conservation equipments	N.A.

### TECHNOLOGY ABSORPTION

Sr. No.	Particulars	Details
1	the efforts made towards technology absorption	N.A.
2	the benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
3	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	N.A.
	(a) the details of technology imported	N.A.
	(b) the year of import	N.A.
	(c) whether the technology been fully absorbed	N.A.
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
4	The expenditure incurred on Research and Development.	N.A.

By Order of the Board of Director  
For **HARIA EXPORTS LIMITED**

**KANTILAL LAKHAMSHI HARIA**  
Chairman  
DIN No. 00585400

Date : 30-05-2019  
Place : Mumbai



### Annexure III

Details of Contracts or arrangements or transactions not at arm's length basis:

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NIL
2	Nature of contracts/arrangements/transaction	NIL
3	Duration of the contracts/arrangements/transaction	NIL
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5	Justification for entering into such contracts or arrangements or transactions	NIL
6	date(s) of approval by the Board	NIL
7	Amount paid as advances, if any	NIL
8	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

### Details of Contracts or arrangements or transactions at arm's length basis:

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Kantilal Haria - Director Utsav Jaysukh Maru - Director
2	Nature of contracts/arrangements/transaction	Loan Given Loan Received Loan Repaid Loan Given Outstanding Loan Received Outstanding Director Remuneration
3	Duration of the contracts/arrangements/transaction	01.04.2018 to 31.03.2019
4	Justification for entering into such contracts or arrangements or transactions	The Contracts are entered at arm's length and in the ordinary Course of Business
5	date(s) of approval by the Board	30.05.2019
6	Amount paid as advances, if any	NIL

By Order of the Board of Directors  
For **Haria Exports Limited**

**Date : 30-05-2019**  
**Place : Mumbai**

**KANTILAL LAKHAMSHI HARIA**  
**CHAIRMAN**  
**DIN No. 00585400**



**Annexure IV  
RELATED PARTY DISCLOSURES:**

<b>LIST OF RELATED PARTIES</b>	<b>PARTICULARS</b>
Subsidiaries / Associates	<b>NIL</b>
Key Management Personnel	<b>1. Kantilal Haria 2. Utsav Jaysukh Maru</b>
Enterprise in which key management personnel, and their relatives have significant influence	<b>1. Haria Apparels Limited</b>
Relative of Key Management Personnel	<b>NIL</b>

<b>Particulars</b>	<b>Subsidiaries/ Associates</b>	<b>Enterprise in which management personnel and relatives have significant influence their Relatives</b>	<b>Key Management Personnel &amp; their Relatives</b>	<b>Total</b>
1. Loan Given	-	NIL (57,88,741)	-	NIL (57,88,741)
2. Loan Given Received Back	-	5,75,000 (61,65,000)		5,75,000 (61,65,000)
3. Loan received	-		NIL (50,000)	NIL (50,000)
4. Loan Repaid	-		- -	- -
5. Loan Given Outstanding	-	1,32,78,083 (2,18,84,119)		1,32,78,083 (2,18,84,119)
6. Loan Received Outstanding	-	-	1,00,000 (1,00,000)	1,00,000 (1,00,000)
7. Director Remuneration	-	-	NIL (4,80,000)	NIL (4,80,000)

By Order of the Board of Directors  
For **Haria Exports Limited**

**Date : 30-05-2019**  
**Place : Mumbai**

**KANTILAL LAKHAMSHI HARIA**  
**Chairman**  
**DIN No. 00585400**



**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2019.

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
Haria Exports Limited,  
8, Subhash Road,  
Vile Parle (East),  
Mumbai - 400 057.

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

Based on my verification of the Haria Exports Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **HARIA EXPORTS LIMITED** ("the Company") for the financial year ended on 31st March, 2019 ('Audit Period'), according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under; except the following e-forms which were not filed by the Company with ROC/MCA: MGT 14 (Two in Numbers) & MGT 10.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; Copy of the relevant disclosures / documents were not available for verification.
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company for the Audit Period);
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company for the Audit Period);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company for the Audit Period);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company for the Audit Period); and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company for the Audit Period);



I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, since the Company is engaged in Mercantile Activities as reported to us by the Management of the Company in their Representation Letter there are no laws specifically applicable to the Company during the Audit Period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India .
- (ii) The SEBI (Listing Obligation & Disclosure Requirements), Regulation 2015 entered into by the Company with Stock Exchanges

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. as mentioned above subject to the following observations:

- (i) As Informed to us by the Management, the Company does have functional Website registered but do not have disclosure pursuant to Regulation 46 of the SEBI (Listing Obligation & Disclosure Requirements), Regulation 2015, except following:
  - a. Audited Financial Results for year ended 31<sup>st</sup> March, 2019.
  - b. Statement of Grievance Redressal Mechanism for year ended 31<sup>st</sup> March, 2019.
  - c. Intimation for Board Meeting for quarter ended 31<sup>st</sup> March, 2019 for audited financial Results.
- (ii) As Informed to us by the Management, the Company has not appointed a Company Secretary during the year under Review, pursuant to Section 203 of the Companies Act, 2013 Read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and has been searching for the suitable candidate to be appointed as a Company Secretary and Chief Financial Officer.
- (iii) As Informed to us by the Management, the Company need to appoint One Non-Executive Independent Director so as to have proper combination of Executive Directors, Non-Executive Directors and Independent Directors.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

As Informed to us by the Management of the Company, it is in the process of reconstituting its Nomination and Remuneration Committee so as to have the optimum combination of Independent and Non-executive Directors.

Decisions at the Board Meetings were taken unanimously.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the Company there are No events having a major bearing on the Companies Affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards etc. referred to above.

Date : 30<sup>th</sup> May, 2019  
Place : Mumbai

Signature:  
**Harshad Mane**  
Practicing Company Secretary  
Membership No.:22225  
Certificate of Practice No.:9537



**'Annexure A'**

To,  
The Members,  
HARIA EXPORTS LIMITED,  
8, Subhash Road,  
Vile Parle (East),  
Mumbai – 400057, India.

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

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

Signature:

Date : 30th May, 2019  
Place: Mumbai

**Harshad Mane**  
Practicing Company Secretary  
Membership No.:22225  
Certificate of Practice No.:9537



## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Our Company's Corporate Governance philosophy is to continuously strive to attain higher levels of accountability, transparency, responsibility, and fairness in all aspects of its operations. Our business culture and practices are founded upon a common set of values that govern our relationships with customers, employees, shareholders, suppliers, bankers and the communities in which we operate.

Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

Our Company believes that Good Corporate Governance is essential ingredient of any business, a way of life rather than a mere legal compulsion.

The Company is conscious of its responsibility as a good corporate citizen. The Company values transparency, professionalism, and accountability.

### 2. BOARD OF DIRECTORS

**(a) Composition and category of directors (e.g. promoter, executive, non-executive, independent non-executive, nominee director - institution represented and whether as lender or as equity investor);**

Your Company's Board comprises of 5 Directors with considerable experience in their respective fields. Of these 2 are Executive Directors, 1 Non Executive Director and 2 Independent Directors.

The Chairman of the Board is an Executive Director.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee and

Stakeholders Relationship Committee, across all the Companies in which he/ she is a Director.

None of the Directors holds office in more than 20 companies and in more than 10 public companies. All Directors are also in compliance of the limit on Independent Directorships of listed companies as prescribed in Regulation 25 (1) of the Listing Regulations.

**(b) Attendance of each Director at the meeting of the Board of Directors and the last Annual General Meeting;**

Five Board Meetings were held during the financial year April 1, 2018 to March 31, 2019. All relevant and materially significant information, are submitted as part of the agenda papers well in advance of the Board Meetings. The Company Secretary, in consultation with the Chairman & Managing Director, drafts the agenda of the meetings.



Details of attendance of Directors in the Board Meetings during the financial year April 1, 2018 to March 31, 2019 are as under:

Sr. No.	Name of the Director	Category of Directorship	Attendance Details		
			Board Meetings Attended	% of total meetings attended during the tenure as a Director	Last AGM
1	UTSAV JAYSUKH MARU	Joint Managing Director	5	100	Yes
2	KANTILAL LAKHAMSHI HARIA	Executive Director	5	100	Yes
3	NITIN VASUDEV OZA	Independent & Non-Executive Director	5	100	Yes
4	MOHITH RAMAMURTHY SUDDALA	Independent & Non-Executive Director	2	40	Yes
5	SUSHILA OZA	Independent & Non-Executive Director	3	60	No
6	NEHABEN JOY KOTHARI	Independent & Non-Executive Director	5	100	Yes

**(c) Number of other board of directors or committees in which a directors is a member or chairperson;**

Name of the Director & Designation	Category	No. of positions held in other Public Companies		
		Board	Committee	
			Membership	Chairmanship
UTSAV JAYSUKH MARU	Joint Managing Director	1	1	NIL
KANTILAL LAKHAMSHI HARIA	Executive Director	1	1	NIL
NITIN VASUDEV OZA	Independent & Non-Executive Director	1	NIL	3
MOHITH RAMAMURTHY SUDDALA	Independent & Non-Executive Director	1	2	NIL
Sushila Oza	Independent & Non-Executive Director	1	2	NIL
NEHABEN JOY KOTHARI	Independent & Non-Executive Director	1	NIL	NIL
	Director			





**d) Number of meetings of the Board of Directors held and dates on which held;**

30<sup>th</sup> May, 2018, 14<sup>th</sup> August, 2018, 1<sup>st</sup> October 2018, 14th November, 2018 , 14th February, 2019.

**(e) Disclosure of relationships between directors inter-se;**

Mr. Utsav Maru is a Grand Son of Mr. Kantilal Haria.

**(f) Number of shares and convertible instruments held by non-executive directors;**

None of the Non-Executive Directors held shares in the Company as on March 31, 2019.

**(g) Web link where details of familiarization programmes imparted to independent directors is disclosed;**

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis.

The familiarization programme for Independent Directors is disclosed on the Company's website at the following web link: [www.hariaexports.com](http://www.hariaexports.com)

**(3) Audit committee:**

**(a) Terms of Reference of Audit Committee**

The Committee's composition meets with requirements of section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

**Role of Audit Committee inter alia, includes the following:**

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including cost auditors, and fixation of audit fees and other terms of appointment.
- Approving payment to statutory auditors for any other services rendered by them.
- Reviewing with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
- Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by the management.
- Significant adjustments made in financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of related party transactions.
- Qualifications in draft audit report.



- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/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.
- Reviewing and monitoring the auditors independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of statutory auditors, including cost auditors and internal auditors, adequacy of internal control systems.
- 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.
- Discussion with internal auditors, any significant findings and follow-up thereon.
- 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.
- 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.
- To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background of the candidate.
- Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors and/or other Committees of Directors.
- Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.
- Reviewing 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 / chief internal auditor.

**(b) Composition, name of members and chairperson;**

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Companies Act, 2013. All members of the Committee are financially literate.

During the year, the Audit Committee reviewed key audit findings covering operational, financial and compliance areas. Risk mitigation plans covering key risks affecting the Company were presented to the Committee.

**(c) Meetings and attendance during the year.**

During the Financial Year April 1, 2018 to March 31, 2019, 5 (Five) meetings were held on the following dates:

28th May, 2018, 11th August, 2018, 1<sup>st</sup> October 2018, 10<sup>th</sup> November, 2018 and 11<sup>th</sup> February, 2019.

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

<b>Name of the Member</b>	<b>Attendance at the Audit Committee Meeting</b>	<b>% of total meetings attended during the tenure as a Director / Secretary</b>
Nitin Vasudev Oza (Chairman)	5	100
Neha Kothari (Member)	5	100
Mohith Suddala (Member)	2	40
Sushila Oza (Member)	3	60

The Chairman of the Audit Committee, Mr. NITIN VASUDEV OZA was present at the Annual General Meeting of the Company held on 29/09/2018.

**(4) Nomination and Remuneration Committee:**

The Committee's constitution and terms of reference are in compliance with Provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

**(a) brief description of terms of reference;**

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- To ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks.



- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**(b) Composition, name of members and chairperson;**

There are 3 Members in Remuneration Committee 1 Chairman, 2 Member.

**(c) Meeting and attendance during the year;**

During the Financial Year April 1, 2018 to March 31, 2019, Two (2) meetings were held on the following dates: 01/10/2018 and 11/02/2019.

Name of the Member	Attendance at the Nomination & Remuneration Meeting and Stakeholder relationship Meeting	% of total attended during the tenure as a Director / Secretary
Mr. Nitin Oza (Chairman)	2	100
Mohith Ramamurthy Suddala (Member) (Till 30-09-2018)	0	0
Nehaben Kothari (Member)	2	100
Sushila Oza (Member) (wef 01-10-2018)	2	100

**(d) Performance evaluation criteria for independent directors.**

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

**(e) 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, 2018 to 31st March 2019. The key principles governing the Company's Remuneration Policy are as follows:



- **Remuneration to Non- Executive / Independent Director, Remuneration / Commission:**  
No Remuneration / Commission is paid to any Non -Executive Director/Independent Director
  - **Sitting Fees:**  
No Sitting fee is paid to any Non-Executive Directors during the financial year 1st April, 2018 to 31st March 2019.
  - **Commission:**  
No commission is paid to any Non-Executive Directors during the financial year 1st April, 2018 to 31st March 2019.
- Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**  
Payment of Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel is fixed as decided by the Board of Directors, based on the recommendation of the Remuneration Committee.

**Details of the Executive Directors Remuneration for the financial year ended March 31, 2019**  
(` in lakhs)

REMUNERATION	DIRECTORS		DIRECTORS	
	Executive Directors			
	Kantilal Haria -Managing Director	Utsav Jaysukh Maru- Joint Managing Director		Non-Executive Directors
(a) Salary & Allowances	NIL	NIL	NIL	NIL
(b) Benefits & Perquisites	NIL	NIL	NIL	NIL
(c) Bonus / Commission Additional Salary	NIL	NIL	NIL	NIL
(d) Pension, Contribution to Provident fund & Superannuation Fund	NIL	NIL	NIL	NIL
(e) Stock Option Details(if any)	The Company has not offered any Stock Options to its employees.			
(f) Notice period	Nil		Nil	
(g) Severance fess	Nil		Nil	

**Note:**

- The agreement with each Executive Director is for a period of 3 years.
- There were no performance linked incentive paid to the Directors for the year 2018-19.



(e) **Details of the Sitting Fees paid to Non-Executive Directors for the Financial Year ended March 31, 2019** (₹ in lakhs)

Name of the Non-Executive Director	Amount of Sitting Fees Paid
NITIN VASUDEV OZA	Nil
MOHITH RAMAMURTHY SUDDALA	Nil
NEHABEN JOY KOTHARI	Nil
Sushila Oza	Nil

**(6) Stakeholders' Grievance Committee:**

The Board has constituted Stakeholders Relationship Committee in accordance with the Provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

**(a) Name of non-executive director heading the committee;**

**Mr. Nitin Vasudev Oza** is Independent & Non-Executive Director heading the Stakeholders Grievance Committee.

**(B) Name and designation of compliance officer;**

**Mr. Kantilal Haria** who is a Managing Director in the Company will be the Compliance Officer of the Stakeholders Committee.

**(C) Number of shareholders' complaints received so far;**

During the financial year, the Company has not received even a single complaint from the shareholders.

**(d) Number not solved to the satisfaction of shareholders;**

Not solved to the satisfaction of shareholders: NIL

**(e) Number of pending complaints.**

There was no pending complaint from any shareholders as on 31<sup>st</sup> March, 2019.

**(7) General body meetings:**

**(a) Location and time, where last three annual general meetings held:**

Year	Date	Venue	Time	No. of Special Resolution(s) passed
2015 - 2016	28/09/2016	Vilco Centre, 8, Subhash Road, Vile Parle (East), Mumbai - 400 057	09.30 a.m.	NIL
2016 - 2017	28/09/2017	Vilco Centre, 8, Subhash Road, Vile Parle (East), Mumbai - 400 057	09.30 a.m.	NIL
2017 - 2018	29/09/2018	Vilco Centre, 8, Subhash Road, Vile Parle (East), Mumbai - 400 057	09.30 a.m.	NIL



**(b) Whether any special resolutions passed in the previous three annual general meetings;**

No, Special resolution passed in the previous One Annual General Meeting.

**(c) Whether any special resolution passed last year through postal ballot – details of voting pattern;**

NIL

**(d) Person who conducted the postal ballot exercise;**

NIL

**(e) Whether any special resolution is proposed to be conducted through postal ballot;**

NIL

**(f) Procedure for postal ballot.**

NIL

**(8) Means of communication:**

**(a) Quarterly results / Annual Results**

The Quarterly / Annual Results and notices published in the format prescribed by the Listing Regulations read with the Circular issued thereunder, are approved and taken on record by the Board of Directors of the Company. The approved results are forthwith uploaded on the designated portal of the Stock Exchange where the Company's shares are listed viz., BSE Online Portal of BSE Ltd. (BSE). The results are also published within 48 hours either in Financial Express (English & Marathi editions) and also displayed on the Company's website [www.hariagroup.com](http://www.hariagroup.com)

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

The Annual / Quarterly results of the Company, Share Holding Pattern, and other official news releases are regularly posted on its website [www.hariagroup.com](http://www.hariagroup.com)

(c) The Management Discussion and Analysis Report forms a part of the Annual Report.

**(9) General shareholder information:**

**(a) Annual General Meeting**

Day & Date : Monday, 30<sup>th</sup> September, 2019

Time : 09.30 A.M.

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



**(b) Financial year;**

**April 2018 to March 2019 Financial Calendar**

<b>Events</b>	<b>Tentative time frame</b>
Financial Reporting for the first quarter ending 30th June, 2018	2nd week of August, 2018
Financial Reporting for the second quarter ending 30th September, 2018	2nd week of November, 2018
Financial Reporting for the third quarter ending 31st December, 2018	2nd week of February, 2019
Financial Reporting for the fourth quarter ending 31st March, 2019	4th Week of May, 2019

**(c) Dividend payment date;**

Interim: N.A

Final: N.A

**(d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);**

BSE Limited : Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001

Yes, the company has paid annual listing fees to BSE Limited.

(b) Stock code;

BSE Limited: 512604

Demat ISIN Number for NSDL & CDSL: INE772B01014

**(c) Market price data- high, low during each month in last financial year;**

**High / low of the market price of the Company's equity shares traded on BSE during the last financial year April 1, 2018 to March 31, 2019 were as follows:**

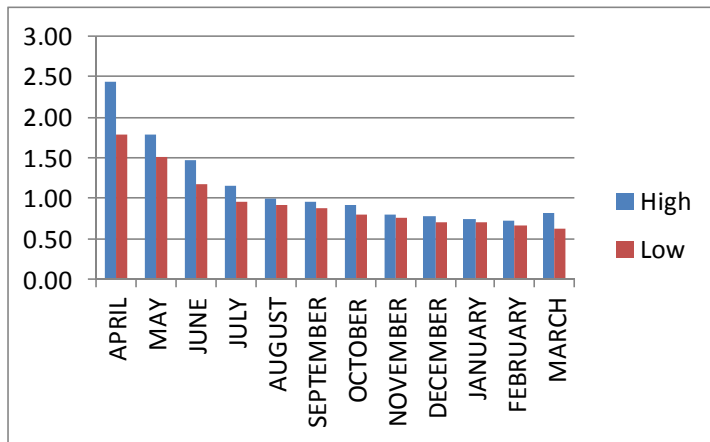
<b>Month</b>	<b>High BSE</b>	<b>Low BSE</b>	<b>Month</b>	<b>High BSE</b>	<b>Low BSE</b>
April	2.44	1.79	October	0.92	0.79
May	1.79	1.50	November	0.80	0.76
June	1.46	1.17	December	0.77	0.70
July	1.16	0.95	January	0.73	0.69
August	1.00	0.92	February	0.72	0.66
September	0.95	0.87	March	0.81	0.63

Source: [www.bseindia.com](http://www.bseindia.com)





performance in comparison to broad-based indices such as BSE sensex :-



(e) Registrar to an issue and share transfer agents;

The shares of the Company can be transferred by lodging Transfer Deeds and Share Certificates with the Registrars & Share Transfer Agents viz. M/s. Link Intime India Pvt. Ltd. (Address as mentioned below). The Shareholders have option of converting their holding in dematerialized form and effecting the transfer in dematerialized mode.

Name	<b>M/s. Link Intime India Pvt. Ltd.</b>
Address	C - 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083.
Telephone No.	49186000
E mail	<a href="mailto:Mumbai@linkintime.co.in">Mumbai@linkintime.co.in</a>

(f) 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 Regulations subject to the documents being in order.

(g) Distribution of Shareholding as on March 31, 2019

Shareholding of Nominal		Value of Number	Shareholders % to Total	Share Amount in Rs.	Share Amount % to Total
(1)	(2)	(3)	(4)	(5)	
Up to 5000	5224	79.7192	8983040.00	7.78	
5001	10,000	677	10.33311	5614730.00	4.86
10,001	20,000	332	5.0664	5176510.00	4.48
20,001	30,000	106	1.6176	2681230.00	2.32
30,001	40,000	50	0.7630	1794400.00	1.55
40,001	50,000	53	0.8088	2510880.00	2.17
50,001	100,000	62	0.9461	4667840.00	4.04
100,001 and Above	49	0.7477	84071370.00	72.79	
Total	6553	100.0000	115500000.00	100.00	



**(h) Dematerialization of shares and liquidity;**

As on March 31, 2019 about 94.93% of the Company's equity paid-up capital had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in demat mode.

**(i) Outstanding global depository receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity;**

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

**(j) Commodity price risk or foreign exchange risk and hedging activities;**

The company has not conducted any activities which requires hedging and necessary disclosures thereof during the Financial Year under review

**(k) Plant locations;**

The Company has the following units located at: NIL

**(l) 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 their registered office.

Registered Office:

**HARIA EXPORTS LIMITED**

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

Telephone No. : (91 - 22) 6154 6154

Fax : (91-22) 6154 6155

E - mail : [accounts@hariagroup.com](mailto:accounts@hariagroup.com)

**(10) Other Disclosures:**

**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;**

There are no materially significant related party transactions with its Promoters, 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. The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website at the web link [www.hariagroup.com](http://www.hariagroup.com)

**(b) details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;**

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.

**(c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;**

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.

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

The Company has complied with all mandatory requirements as mandated under Clauses (b) to (i) of Regulation 46 (2). 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.

(d) The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.

(e) The status of compliance with the non- mandatory requirements listed in Part E of Schedule II of the Listing Regulations, is as under

• **Separate post of Chairman and CEO**

The Chairman of the Board is a separate position from that of the Managing Director & CEO.

• **Reporting of Internal Auditor**

The Internal Auditor reports to the Audit Committee.

• **Audit qualifications**

The Financial Results of the Company are unqualified.

11. Declaration signed by the chief executive officer stating that the members of Board of Directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

The Managing Director & CEO and the Chief Financial Officer have certified to the Board in accordance with Part B of Schedule II to the Listing Regulations pertaining to CEO/ CFO certification for the Financial Year ended March 31, 2019.

**On behalf of the Board of Directors  
For Haria Exports Limited.**

**Date : 30/05/2019**  
Place : Mumbai

**Kantilal Haria**  
Chairman  
DIN No. 00585400



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management of Haria Exports Ltd. presents the analysis of the Company for the year ended on March 31, 2019 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments both in India and abroad.

This management discussion and analysis ("MD&A") of Haria Exports Ltd. for the year ended on March 31, 2019 contains financial highlights but does not contain the complete financial statements of the Company. It should be read in conjunction with the Company's audited financial statements for the year ended on March 31, 2019.

### **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.

**PERFORMANCE:**

- Revenue from operations during the year is Rs. 0.91 Cr as compared to previous year Rs.2.01 Cr.
- The Company has gained a profit during the year is Rs.0.81 Cr as Compared to Last Year's Profit of Rs.0.82 Cr.

**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.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has an effective and adequate internal audit and control system to ensure that all assets are safeguarded against loss and all transactions are authorised, recorded and reported correctly. The Internal audits are conducted by firm of Chartered Accountants, ably supported by an internal team staffed with qualified and experienced people. All operational activities are subject to internal audits at frequent intervals. The existing audit and inspection procedures are reviewed periodically to enhance their effectiveness, usefulness and timeliness.

**CAUTIONARY STATEMENT:**

Readers are cautioned that this Management Discussion and Analysis may contain certain forward looking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. The Company's actual performance may differ materially from those expressed or implied in the statement as important factors could influence Company's operations such as effect of political conditions in India and abroad, economic development, new regulations and Government policies and such other factors beyond the control of the Company that may impact the businesses as well as its ability to implement the strategies.

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

**Place : Mumbai  
Date: 30/05/2019**

**KANTILAL LAKHAMSHI HARIA  
Chairman**

**DIN No. 00585400**



### CEO CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**HARIA EXPORTS LIMITED**

I, Kantilal Haria, Managing Director of Haria Exports Limited hereby declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2019.

**For HARIA EXPORTS LIMITED**

**Place: Mumbai**  
**Date : May 30, 2019**

**KANTILALHARIA**  
**CHAIRMAN**  
**DIN No. 00585400**  
**Registered Office :**  
**8, Subhash Road,**  
**Vile Parle (East),**  
**Mumbai – 400 057.**

### PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,  
**The Members of Haria Exports Limited**

We have examine the compliance of conditions of Corporate Governance by **Haria Exports Limited** ('the Company') for the year ended March 31, 2019 as stipulated on Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulation, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the year ended March 31, 2019.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above- mentioned Listing Regulations, subject to following observations:

*The Company has not made disclosure on its website [www.hariexports.com](http://www.hariexports.com) pursuant to Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

*As informed to us by the management of the Company, it is in the process of appointing Company Secretary, Chief Executive Office and Chief Finance Officer as Key Management Personnel.*

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.

**Place: Mumbai**  
**Date: 30<sup>th</sup> May, 2019**

**Harshad Mane**  
*Practicing Company Secretary*  
**ACS No: 22225**  
**CP No: 9537**



## Independent Auditor's Report

**To the Members of Haria Exports Limited**

**Report on the Audit of Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of **Haria Export Limited** ('the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 on the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit, other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Key Audit Matter	How the matter was addressed in our audit
<p><b>Contingent Liabilities</b></p> <p>The company is subject to legal, regulatory and tax cases</p> <p>The level of judgment required to establish the level of provisioning, increases the risk that provisions and contingent liabilities may not be appropriately provided against or adequately disclosed.</p> <p>Accordingly this matter is considered to be a key audit matter</p> <p>Management’s disclosure with regards to contingent liabilities are presented in note 20 to the financial statements.</p>	<p><b>Our audit procedures included :</b></p> <ul style="list-style-type: none"> <li>• We evaluated the design and tested the operating effectiveness of the relevant controls and assessed how the company monitors legal, tax and regulatory developments and their assessment of the potential impact on the company</li> <li>• We read the summary of the litigation matters provided by the company’s legal / tax counsel team and discussed each of the material cases noted in the report to determine the company’s assessment of the likelihood and magnitude of any liability that may arise.</li> <li>• We read, where applicable, external legal or regulatory advise sought by the company and reviewed related correspondence and minutes of executive meetings</li> <li>• In light of above, we reviewed the level of provisions record and assessed the adequacy contingent liability disclosures in the financial statements</li> </ul>

**Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





### **Management’s Responsibility for the Ind AS Financial Statements**

The Company’s management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Board of Directors is also responsible for overseeing the Company’s financial reporting process.

### **Auditor’s Responsibility for the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from



- error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the order.
3. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flow dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company has disclosed the impact of pending litigations (if any) as at 31<sup>st</sup> March, 2019 on its financial position in its Ind AS financial statements – Refer Note 20 to the financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund.

**For Kanak Rathod & Co  
Chartered Accountants  
Firm Regn No : 104700W**

**Kanak Rathod  
Proprietor  
Membership No: 032833**

**Place: Mumbai  
Date: 30<sup>th</sup> May, 2019**



### **Annexure - A to the Independent Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2019, we report that:

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner 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 the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As informed to us, the inventory, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on such physical verification as compared to the books records.
- (iii) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with provisions of 185 and 186 of the Companies Act 2013 in respects of loans, making investments, and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) We have broadly reviewed the records maintained by the company pursuant to the rules prescribed by Central Government for maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.



- )
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, goods and service tax, duty of customs, cess, professional tax and other material statutory dues were in arrears as at 31 March 2019 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, the disputed dues in respect of Income Tax & FEMA are as under:

<b>Nature of Dues</b>	<b>Amount</b>	<b>Period to which amount relates</b>	<b>Forum where dispute is pending</b>
Income Tax	3,91,26,117/-	F.Y. 1998-1999 F.Y. 1999-2000 F.Y. 2000-2001	The Hon'ble High Court, Mumbai
Income Tax	27,030/-	F.Y. 2010-2011	Commissioner of Income Tax Appeals
FEMA	27,19,901/-	F.Y. 2001-2002	Appellate Tribunal for Foreign Exchange

- (viii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from any financial institution, bank or Government nor has it issued any debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **Kanak Rathod & Co**  
**Chartered Accountants**  
Firm Regn No : 104700W

Place: Mumbai  
Date: 30<sup>th</sup> May, 2019

**Kanak Rathod**  
Proprietor  
Membership No: 032833



## **Annexure - B to the Auditors' Report**

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

#### **Opinion**

We have audited the internal financial controls over financial reporting of Haria Export Limited ("the Company") as of 31<sup>st</sup> March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial





controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

For **Kanak Rathod**  
**Chartered Accountants**  
Firm Regn No: 107400W

**Kanak Rathod**  
**Proprietor**  
**Membership No: 032833**

**Place: Mumbai**  
**Date: 30<sup>th</sup> May, 2019**



**HARIA EXPORTS LTD**  
**STANDALONE BALANCE SHEET AS AT MARCH 31, 2019**

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Financial Assets			
Loans	3	11,37,47,598	10,56,51,364
Non - Current Tax Assets	4	43,39,547	41,36,474
<b>Total Non - Current Assets</b>		<b>11,80,87,145</b>	<b>10,97,87,838</b>
<b>Current Assets</b>			
Financial Assets			
Trade Receivables	5	4,088	1,38,272
Cash & Cash Equivalents	6	15,01,278	16,99,271
Bank Balance other than above	7	45,851	42,997
Other Current Assets	8	21,60,214	20,62,763
<b>Total Current Assets</b>		<b>37,11,431</b>	<b>39,43,303</b>
<b>Total Assets</b>		<b>12,17,98,576</b>	<b>11,37,31,141</b>

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	9	11,55,00,000	11,55,00,000
Other Equity	10	59,62,148	(21,53,024)
		<b>12,14,62,148</b>	<b>11,33,46,976</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	11	1,00,000	1,00,000
Trade Payables	12	1,06,071	1,94,192
Other Financial Liabilities	13	1,20,000	76,000
Other Current Liabilities	14	10,357	13,973
<b>Total Current Liabilities</b>		<b>3,36,428</b>	<b>3,84,165</b>
<b>Total Liabilities</b>		<b>3,36,428</b>	<b>3,84,165</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,17,98,576</b>	<b>11,37,31,141</b>

**CORPORATE INFORMATION**

**1**

**SIGNIFICANT ACCOUNTING POLICIES**

**2**

**NOTES ON ACCOUNTS**

**3-29**

As per our report attached of even date

For and on behalf of the Board of Directors

For KANAK RATHOD & CO.

For HARIA EXPORTS LTD.

Chartered Accountants

Firm Reg. No. 104700W

**KANAK RATHOD**

**KANTILAL HARIA**

**UTSAV MARU**

Proprietor

Chairman & Managing

Director

Membership No. 032833

Director

DIN : 00585400

DIN : 07752233

Mumbai, 30th May, 2019



**HARIA EXPORTS LTD**  
**STANDALONE STATEMENT OF PROFIT AND LOSS AS AT MARCH 31, 2019**

Particulars	Not e. No.	Year ended March 31, 2019	Year ended March 31, 2018
<b>Income</b>			
Revenue from Operations	15	42,834	89,88,598
Other Income	16	90,73,528	1,11,13,241
<b>Total Income</b>		<b>91,16,362</b>	<b>2,01,01,839</b>
<b>Expenses</b>			
Cost of Material Consumed		-	-
Purchase of Stock In Trade	17		85,99,590
Changes in Inventories of Finished Goods / Stock in Trade			-
Employee Benefit Expenses	18	1,40,000	10,26,425
Finance Cost			-
Depreciation and Amortization			-
Other Expenses	19	8,61,190	22,92,420
<b>Total Expenses</b>		<b>10,01,190</b>	<b>1,19,18,435</b>
<b>Profit Before Tax and Exceptional Item</b>		<b>81,15,172</b>	<b>81,83,404</b>
<b>Exceptional Item</b>			-
<b>Profit Before Tax</b>		<b>81,15,172</b>	<b>81,83,404</b>
<b>Tax Expenses</b> (Excess) / Short Provision of Earlier Years			-
<b>Profit After Tax</b>		<b>81,15,172</b>	<b>81,83,404</b>
<b>Other Comprehensive Income</b>			-
<b>Total Other Comprehensive Income for the year</b>		<b>81,15,172</b>	<b>81,83,404</b>
<b>Earnings Per Share - Basic &amp; Diluted (7)</b>		<b>0.70</b>	<b>0.71</b>

**CORPORATE INFORMATION**

**1**

**SIGNIFICANT ACCOUNTING POLICIES**

**2**

**NOTES ON ACCOUNTS**

**3-29**

As per our report attached of even date

For and on behalf of the Board of Directors

For KANAK RATHOD & CO.

For HARIA EXPORTS LTD.

Chartered Accountants

Firm Reg. No. 104700W

**KANAK RATHOD**

**KANTILAL HARIA**

**UTSAV MARU**

Proprietor

Chairman & Managing

Director

Membership No. 032833

Director

DIN : 00585400

DIN : 07752233

Mumbai, 30th May, 2019



HARIA EXPORTS LTD

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) Before Tax	81,15,172	81,83,404
<b>Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:</b>		
Depreciation & Amortization		
Finance Cost		
Finance Income	(90,67,528)	(1,11,13,241)
Profit on Sale of Investments	(90,67,528)	(1,11,13,241)
<b>Operating Profit Before Changes in Working Capital</b>	<b>(9,52,356)</b>	<b>(29,29,837)</b>
<b>Adjustment for Changes in Working Capital</b>		
(Increase) / Decrease in Trade Receivables		(1,38,272)
(Increase) / Decrease in Other Current Assets	1,34,184	(18,72,886)
Increase / (Decrease) in Trade Payables	(1,00,305)	(2,45,219)
Increase / (Decrease) in Other Current Liabilities	(88,121)	(120)
	(3,616)	(22,56,497)
<b>Cash Generated from Operations</b>	<b>(10,10,214)</b>	<b>(51,86,334)</b>
Less: Taxes Paid (Net of refund received)	(2,03,073)	(2,00,000)
<b>NET CASH FLOW FROM OPERATING ACTIVITY (A)</b>	<b>(12,13,287)</b>	<b>(53,86,334)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Other Financial Liabilities	44,000	
Financial Assets - Loans (Made) /Repaid	(80,96,234)	(55,47,033)
Finance Income	90,67,528	1,11,13,241
<b>NET CASH FLOW FROM INVESTING ACTIVITY (B)</b>	<b>10,15,294</b>	<b>55,66,208</b>
<b>C CASH FLOW FROM FINANCING ACTIVITY</b>		
Receipt of Long Term Borrowings		50,000
<b>NET CASH FLOW FROM FINANCING ACTIVITY (C)</b>		<b>50,000</b>
<b>NET CASH FLOW FOR THE YEAR (A + B + C)</b>	<b>(1,97,993)</b>	<b>2,29,874</b>
Add: Opening Balance of Cash & Cash Equivalents	16,99,271	14,69,397
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>15,01,278</b>	<b>16,99,271</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENT</b>		
<b>TOTAL CASH AND BANK BALANCE AS PER BALANCE SHEET</b>	<b>15,01,278</b>	<b>16,99,271</b>
<b>CASH AND CASH EQUIVALENT COMPRISES AS UNDER:</b>		
Balance with banks in current accounts		2,29,263
Cash on Hand	31,390	14,70,008
<b>CASH AND CASH EQUIVALENT</b>	<b>14,69,888</b>	<b>16,99,271</b>
<b>NET CASH AND CASH EQUIVALENT</b>	<b>15,01,278</b>	<b>16,99,271</b>
Net effect of Unrealised Exchange Difference	-	-
<b>CASH AND CASH EQUIVALENT AT THE END OF THE YEAR</b>	<b>15,01,278</b>	<b>16,99,271</b>

As per our report attached  
For KANAK RATHOD & CO.  
Chartered Accountants Firm Reg. No.  
104700W

KANAK RATHOD  
Proprietor  
Membership No. 032833

Mumbai, 30th May, 2019

For and on behalf of the Board of Directors  
For HARIA EXPORTS LIMITED

KANTILAL HARIA  
Chairman & Managing  
Director  
DIN : 00585400

UTSAV MARU  
Director  
DIN : 07752233

Mumbai, 30th May, 2019

Mumbai, 30th May, 2019



HARIA EXPORTS LTD  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A. Equity Share Capital

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Balance as the beginning of the reporting period	1,15,50,000	11,55,00,000	1,15,50,000	11,55,00,000
Add: Changes in Equity Capital during the year	-	-	-	-
Balance at the end of the reporting period	1,15,50,000	11,55,00,000	1,15,50,000	11,55,00,000

B. Other Equity (Note No.10)

Particulars	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Total
Balance as on April 01, 2018	1,82,000	4,03,30,442	1,32,77,978	(6,41,26,848)	(1,03,36,428)
Profit for the period	-	-	-	8183404	81,83,404
As at March 31, 2018	1,82,000	4,03,30,442	1,32,77,978	(5,59,43,444)	(21,53,024)
Profit for the period	-	-	-	81,15,712	81,15,712
As at March 31, 2019	1,82,000	4,03,30,442	1,32,77,978	(4,78,28,272)	(59,62,148)

**Nature and Purpose of the Reserves Capital Reserve**

Capital reserve is created on account of forfeiture of share capital in earlier years.

**Securities Premium**

Security premium account is created when shares are issue at premium. A company may utilise the security premium reserve account as per the requirements of Companies Act.

**General Reserve**

The Company has transferred a portion of Net Profits of the Company before declaring Dividends to General Reserve pursuant to the earlier provision of The Companies Act, 1956. Mandatory transfer to General Reserve, is not required under the Companies Act, 2013

HARIA EXPORTS LTD

SIGNIFICANT ACCOUNTING POLICIES

1 CORPORATE INFORMATION

Haria Exports Limited (the Company) is a public limited by shares domiciled in India, incorporated under the provisions of Companies Act, 1956. Its shares are listed on National Stock Exchange of India Limited and BSE Limited. Its registered office is situated at Haria Centre, 8 Subhash Road, Vile Parle (East), Mumbai - 400057 India. The Company is engaged in Textiles & Fabrics.

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the Significant Accounting Policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 BASIS FOR PREPARATION OF ACCOUNTS

a) Statement of Compliance with Ind AS

These financial statements are the separate financial statements of the Company prepared in accordance with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).

b) Applicability of New Accounting Pronouncements

The company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effect is described below:

- The Company has adopted Ind AS 115, Revenue from Contract with Customers with effect from 1st April, 2018 and it is detailed in note 2.3.
- The Company has elected to recognize cumulative effect of initially applying Ind AS 115 retrospectively as an adjustment to opening balance sheet as at 1st April 2018 on the contracts that are not completed contract as at that date. There was no impact of above on the opening balance sheet as at 1st April 2018 and on the Statement of Profit and Loss for the year ended 31st March, 2019.

All assets and liabilities have been classified as Current or Non Current as per the Company's normal operation cycle i.e. twelve months and other criteria set out in the Schedule III of the Act.



**c) Current versus Non-Current classification**

All assets and liabilities have been classified as Current or Non Current as per the Company's normal operation cycle i.e. twelve months and other criteria set out in the Schedule III of the Act.

**d) Historical Cost Convention**

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with Generally Accepted Accounting Principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for the following:

- a. Certain financial assets and liabilities that are measured at fair value
- b. Defined benefit plans plan assets measured at fair value

**2.2 USE OF ESTIMATES**

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Significant judgments and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, impairment of trade receivables, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

**2.3 REVENUE RECOGNITION**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

**a) Sale of Goods**

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time. i.e, when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

**b) Export Benefits**

Incomes in respect of Duty Drawback in respect of exports made during the year are accounted on accrual basis.

**c) Dividend**

Dividend income is recognised when the right to receive the same is established, which is generally when shareholders approve the dividend.

**d) Insurance Claims**

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

**2.4 FOREIGN CURRENCY TRANSACTIONS**

**a) Functional and Presentation Currency**

The financial statements are presented in Indian Rupee (INR), which is company's functional and presentation currency.

**b) Initial Recognition**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the dates of the transactions. Exchange difference arising on foreign exchange transaction settled during the year are recognized in the Statement of profit and loss of the year.



#### e) Measurement of foreign currency items at the Balance sheet date

Monetary assets and liabilities denominated in foreign currencies are re-translated into functional currency at the exchange rate prevailing at the end of the reporting period. Non monetary assets and liabilities that are measured based on a historical cost in a foreign currency are not re-translated. Exchange differences arising out of these transaction are charged to the profit and loss.

### 2.5 PROPERTY, PLANT AND EQUIPMENTS

#### a) Property, plant and equipment (PPE)

##### i) Recognition and measurement

Freehold land is carried at cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenses directly attributable to the acquisition of the assets. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

##### ii) Subsequent expenditure

Expenditure incurred on substantial expansion upto the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### b) Capital Work-In-Progress And Pre-Operative Expenses During Construction Period

Capital work-in progress includes expenditure directly related to construction and incidental thereto. The same is transferred or allocated to respective Property, Plant and Equipment on their completion / commencement of commercial production.

### 2.6 IMPAIRMENT OF NON- FINANCIAL ASSETS

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### 2.7 DEPRECIATION AND AMORTISATION

Depreciation is calculated to systematically allocate the cost of Property, Plant and Equipment and Intangible Asset net of the estimated residual values over the estimated useful life. Freehold land is not depreciated. Depreciation is computed using Straight Line Method (SLM) over the useful lives of the assets as specified in Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the item of Property, Plant and Equipment. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Useful lives of the items of Property, Plant and Equipment are as follows:

Asset	Estimated Useful Life
Leasehold Land	99 Years
Building	30 Years
Plant & Machinery	15 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years
Other equipment	5 Years



Intangible Assets are amortized over their individual estimated useful lives on a Straight Line basis, commencing from the year in which the same are available to the Company for its intended use. The useful life so determined is as follows:

Assets	Amortisation period
Software Licenses	5 years
Product Licenses	5 years
Usage Rights	5 years

Depreciation on items of Property, Plant and Equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal. Depreciation is not provided on Freehold Land. Leasehold land is amortized over the available balance lease period.

## 2.8 FINANCIAL INSTRUMENTS

### 1. Financial Assets

#### a) Classification of financial assets

The Company classifies financial assets as subsequently measures at amortised cost, fair value through other comprehensive income or fair value through profit & loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

##### ***i) Debt instrument at amortised cost:***

A 'debt Instrument' is measured at the amortised cost if both the following conditions are met.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or cost that are an integral part of the EIR. The EIR. Amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. The category generally applies to trade and other receivable.

##### ***ii) Debt instrument at fair value through other comprehensive income (FVOCI):***

Assets that are held for collection of contractual cash flow and selling the financial assets, where the assets' cash flow represents solely payments of principal and interest are measuring at FVOCI, movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue or foreign exchange gains and losses which are recognised in profit and loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the EIR method. The company does not have any instruments classified as fair value through other comprehensive income (FVOCI).

##### ***iii) Debt instrument measured at fair through profit and loss (FVTPL):***

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

##### ***iv) Equity investments:***

Investment in associates are accounted using equity method.

All other equity investments which are in scope of Ind-AS 109 are measured at fair value. Equity instrument which are held for trading are classified as at FVTPL. For all other equity investments, the Company decide to classify the same either as at fair value through other comprehensive income (FVOCI) or FVTPL. The company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

For equity investments classified as FVOCI, all fair value changes on the instruments, excluding dividend, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of such investment

Equity investments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.





**b) Initial recognition and measurement**

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction cost that are attributable to the acquisition of the financial assets.

Trade receivables are carried at original invoice price as the sales arrangements do not contain any significant financial component. Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

**c) Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) primarily derecognised (i.e. removed from the company's balance sheet) when :

- The rights to receive cash flows from the asset have expired, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

When the company has transferred its rights to receive cash flow from an asset or has entered into a pass-through arrangement, it evaluates whether it has transferred substantially all the risks and rewards of ownership. In such cases, the financial asset is derecognised. When it has neither transferred nor retained substantially all of the risks and rewards of the assets, nor transferred control of the assets, the Company continues to recognise the transferred asset to the extent of the company's continuing involvement. In the case, the company recognises and associated liability. The transferred asset and the associated liability are measured on a basis that reflect the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and maximum amount of consideration that the company could be required to repay.

**d) Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loan, debt security, deposits, and bank balance.
- Trade Receivables.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application simplified approach does not require the company to track change in risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivable. The provision matrix based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historically observed default rate updated and change in the forward looking estimates are analysed.

**II. Financial Liabilities and equity instruments**

Debt and equity instruments issued by an entity are classified as either financial liability or as equity in accordance with substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

**a) Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

**b) Financial liabilities :- Classification**

Financial liabilities are classified as either's at FVTPL' or' other financial liabilities consists of derivative financial instruments, wherein the gain/losses arising from remeasurement of these Instruments of recognized in the statements of profit and loss. Other financial liability (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

**c) Initial recognition and measurement:**

All financial liability are recognised initially at fair value and for those instruments that are not Subsequently measured at FVTPL, plus/minus transaction cost that are attributable to issue of these instruments.



#### d) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

#### 2.9 INVENTORIES

Raw Materials, work-in-progress, finished goods, packing material and stock-in-trade are carried at lower of cost and net realizable value.

- Cost of Raw Material is determined on a First In First Out (FIFO) basis.

- Stores and Consumables are valued at cost or net realizable value whichever is lower.

- Work in Progress and Finished goods are valued at cost or net realizable value whichever is less. Cost comprises direct materials and appropriate portion of direct labour costs, manufacturing overheads, depreciation and those overheads that have been incurred in bringing the inventories to their present location.

- Scrap is valued at estimated realisable value.

#### 2.10 NON CURRENT ASSETS FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. The Management must be committed to the sale, which should be expected to qualify for recognition as completed sale within one year from the date of classification. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

#### 2.11 BORROWING COSTS

Borrowing Costs that are interest and other costs that the company incurs in connection with the borrowings of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest cost measured at EIR and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets, wherever applicable, till the assets are ready for their intended use. Such capitalization is done only when it is probable that the asset will result in future economic benefits and the costs can be measured reliably. Capitalisation of borrowing cost is suspended and Borrowing Cost.

Capitalisation of borrowing costs commences when all the following conditions are satisfied:

- i. Expenditure for the acquisition, construction or production of a qualifying asset is being incurred;
- ii. Borrowing costs are being incurred; and
- iii. Activities that are necessary to prepare the asset for its intended use are in progress.

A qualifying asset is one which necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged to revenue account.

#### 2.12 ACCOUNTING FOR TAXES ON INCOME

##### a) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in Deferred Tax Assets and Liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Current tax assets and liabilities are offset only if, the Company :

- i) has legally enforceable right to set off the recognised amounts; and
- ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

##### b) Deferred Taxes

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

Deferred Tax Assets and Liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and Deferred Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Any tax credit including MAT credit available is recognised as Deferred Tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the Statement of Profit and Loss and shown under the head deferred tax asset.

Any tax credit including MAT credit available is recognised as Deferred Tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the Statement of Profit and Loss and



shown under the head deferred tax asset.

The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Tax Asset to be utilised. Unrecognised Deferred Tax Assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset only if, the Company :

- i) has legally enforceable right to set off the recognised amounts; and
- ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

#### PROVISIONS AND CONTINGENT LIABILITIES

##### a) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

##### b) Contingent Liability

Contingent liabilities are not provided for and if material, are disclosed by way of notes to accounts. Contingent Liability is disclosed in the case of:

- i. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- ii. A present obligation arising from the past events, when no reliable estimate is possible;
- iii. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent Liability is disclosed in the case of:

- i. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- ii. A present obligation arising from the past events, when no reliable estimate is possible;
- iii. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

#### 2.13 LEASES

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

##### a) Company as a Lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

##### b) Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Leases are classified as Finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

#### 2.14 EARNING PER SHARE

##### a) Basic Earnings Per Share

Basic Earnings Per Share is calculated by dividing the profit attributable to owners of the Company 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, if any, and any attributable distribution tax thereto for the period.



**b) Diluted Earnings Per Share**

Diluted Earnings Per Share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

**2.15 CASH AND CASH EQUIVALENTS**

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating 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.

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of bank overdrafts which are repayable on demand as these form an integral part of the Company's cash management.

**2.16 DIVIDEND**

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**2.17 ROUNDING OFF**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees, unless otherwise stated.

**2.18 EVENTS OCCURRING AFTER THE REPORTING DATE**

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the Directors' Report.

**2.19 EXCEPTIONAL ITEMS**

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

**2.20 OPERATING CYCLE**

All assets and liabilities have been classified as current or non-current as per each Company's normal operating cycle and other criteria set out in the Schedule III to the Act

**2.21 SEGMENT REPORTING**

As the Company has only one primary business activity, Segment reporting is not applicable.

**2.22 STANDARDS ISSUED BUT NOT YET EFFECTIVE**

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying new standards and amendments to certain issued standards. These amendments are applicable to the Company from 1st April, 2019. The Company will be adopting the below stated new standards and applicable amendments from their respective effective date.

**a) Ind AS 116, Leases:**

Ind AS 116 supersedes Ind AS 17, Leases. Under Ind AS 116, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right of use asset) at the commencement date of lease. Lessees will be required to separately recognise interest expense on the lease liability and depreciation expense on the right of use asset. Lessor accounting under Ind AS 116 remains substantially unchanged from accounting under Ind AS 17. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019.

The Company has elected to adopt Ind AS 116 retrospectively to each prior reporting period presented. This will result in change in the Balance Sheet, Statement of Profit and Loss and Cash flow statement. The Company intends to use low value exemptions and short term exemption in accordance with Ind AS 116. The Standard would result in recognition of right of use approximately of ` 425.73 crores and a corresponding lease liability approximately of ` 490.35 crores with net impact on reserves as on 1st April 2018. The depreciation will increase approximately by ` 158.19 crores, interest expense will increase approximately by ` 49.40 crores with a corresponding decrease in rental cost approximately by ` 195.98 crores for the year ended 31st March, 2019.

**b) Appendix C, Uncertainty over Income Tax Treatment to Ind AS 12, Income Taxes:**

The Appendix clarifies how to apply the recognition and measurement principles while recognizing current tax, deferred tax, taxable profits (losses), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over tax treatments under Ind AS 12. As per the Appendix, the Company needs to assess whether it is probable that a tax authority will accept an uncertain tax treatment used or a treatment which is being proposed to be used in its income tax filings. The Appendix will be applied retrospectively with the cumulative effect of its initial application on the opening balance sheet as on 1st April 2019.

**c) Amendment to Ind AS 12, Income Taxes:**

The amendment clarifies that an entity shall recognize income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The Company will apply these amendments for annual reporting periods beginning on or after 1st April 2019. The impact on the Financial Statements is being evaluated.



**NOTE 3: FINANCIAL ASSETS - LOANS (NON-CURRENT)**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Unsecured Considered Good</b>		
Loans to Related Parties	2,36,55,974	2,18,84,119
Loans to Others	9,00,91,624	8,37,67,245
<b>TOTAL</b>	<b>11,37,47,598</b>	<b>10,56,51,364</b>

**NOTE 4: NON-CURRENT TAX ASSETS**

Particulars	As at March 31, 2019	As at March 31, 2018
Advance payment of Income Tax (Net of Provision)	43,39,547	41,36,474
<b>TOTAL</b>	<b>43,39,547</b>	<b>41,36,474</b>

**NOTE 5: FINANCIAL ASSETS - TRADE RECEIVABLES**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Trade Receivables</b>		
Unsecured - Considered Good	36,80,475	38,14,659
Less : Allowance for unsecured doubtful debts	(36,76,387)	(36,76,387)
<b>TOTAL</b>	<b>4088</b>	<b>1,38,272</b>

Notes -

- i. The Company has called for balance confirmation of Trade Receivables on random basis. Out of which the Company has received response from some of the parties, which are subject to reconciliation with Company's account. The other balances of Trade Receivables are subject to confirmation.
- ii. Refer Note 24 for information about Credit Risk and Market Risk of Trade Receivables.
- iii. There are no outstanding dues from directors or other officers of the company.

**NOTE 6: FINANCIAL ASSETS - CASH & CASH EQUIVALENTS**

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks in Current Accounts	31390	2,29,263
Cash on Hand	14,69,888	14,70,008
<b>TOTAL</b>	<b>15,01,278</b>	<b>16,99,271</b>



**NOTE 7: FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS**

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposits maturing between 3 to 12 months	45,851	42,997
<b>TOTAL</b>	<b>45,851</b>	<b>42,997</b>

**NOTE 8: OTHER CURRENT ASSETS**

Particulars	As at March 31, 2019	As at March 31, 2018
Interest Receivable	18,00,000	18,00,000
Balances with VAT and GST Authorities	3,60,214	2,62,763
<b>TOTAL</b>	<b>21,60,214</b>	<b>20,62,763</b>

**NOTE 9: EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Authorised</b> 2,20,00,000 (Previous year as at 31st March 2019 2,20,00,000 and as at 1st April, 2016 2,20,00,000) Equity Shares of Rs. 10/- each	22,00,00,000	22,00,00,000
50,00,000 (Previous year as at 31st March 2017 50,00,000 and as at 1st April, 2016 50,00,000 ) Preference Shares of Rs. 10/- each	5,00,00,000	5,00,00,000
<b>TOTAL AUTHORIZED SHARE CAPITAL</b>	<b>27,00,00,000</b>	<b>27,00,00,000</b>
<b>Issued, Subscribed &amp; Paid Up</b> 1,15,50,000 (Previous year as at 31st March 2018 1,15,50,000 and as at 1st April 2016 1,15,50,000 ) Equity Shares of Rs. 10/- each full paid up	11,55,00,000	11,55,00,000
<b>TOTAL ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>	<b>11,55,00,000</b>	<b>11,55,00,000</b>

**a) Reconciliation of the number of shares outstanding :**

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning	1,15,50,000	11,55,00,000	1,15,50,000	11,55,00,000
<b>Shares at the end</b>	<b>1,15,50,000</b>	<b>11,55,00,000</b>	<b>1,15,50,000</b>	<b>11,55,00,000</b>

**b) Rights, Preferences and restrictions attached to shares**

The company has one class of equity shares having a face value Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders will be entitled to receive any of the remaining asset of the company in proportion to the number of equity shares held by the shareholders, after distribution of all the preferential amounts. However no such preferential amount exist currently.

**c) Shareholders holding more than 5% shares each :**

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	%	No. of Shares	%
Kantilal Haria	33,71,707	29.19%	33,71,707	29.19%
Ketan Keshvaji Shah	11,83,842	10.25%	11,83,842	10.25%
Ramesh Keshvaji Shah	10,41,650	9.02%	10,41,650	9.02%



**NOTE 11: FINANCIAL LIABILITIES (SHORT TERM BORROWINGS)**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>UNSECURED :</b>		
Loans from Related Parties	1,00,000	1,00,000
<b>TOTAL</b>	<u>1,00,000</u>	<u>1,00,000</u>

**Note:**

Loan from related parties pertains to loans taken from directors

**NOTE 12: FINANCIAL LIABILITIES - TRADE PAYABLES**

Particulars	As at March 31, 2019	As at March 31, 2018
Due to Micro, Small and Medium Enterprises (Refer Note Below)	-	-
Due to Others	1,06,071	1,94,192
<b>TOTAL</b>	<u>1,06,071</u>	<u>1,94,192</u>
<b>Note</b>		
Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year		
2017-18, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.		
Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal and interest amount remaining unpaid	-	-
(ii) Interest due thereon remaining unpaid	-	-
(iii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
(iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(v) Interest accrued and remaining unpaid	-	-
(vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
<b>Total</b>	<u>-</u>	<u>-</u>



**NOTE 13: FINANCIAL LIABILITIES - OTHERS (CURRENT)**

Particulars	As at March 31, 2019	As at March 31, 2018
Employee benefits payables	1,20,000	76,000
<b>TOTAL</b>	<b>1,20,000</b>	<b>76,000</b>

**NOTE 14: OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory Payments	10,357	13,973
<b>TOTAL</b>	<b>10,357</b>	<b>13,973</b>

**NOTE 15: REVENUE FROM OPERATIONS**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Sale of Products	42,834	89,88,598
<b>TOTAL</b>	<b>42,834</b>	<b>89,88,598</b>

**NOTE 16: OTHER INCOME**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Finance Income	90,67,528	1,11,13,241
Miscellaneous Income	6,000	-
<b>TOTAL</b>	<b>90,73,528</b>	<b>1,11,13,241</b>





**NOTE 17: PURCHASE OF STOCK IN TRADE**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Purchase of Stock in Trade	-	85,99,590
<b>TOTAL</b>	<b>-</b>	<b>85,99,590</b>

**NOTE 18: EMPLOYEE BENEFIT EXPENSES**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, Wages and Bonus	1,40,000	5,42,000
Directors Remuneration	-	4,80,000
Staff Welfare Expenses	-	4,425
<b>TOTAL</b>	<b>1,40,000</b>	<b>10,26,425</b>

**NOTE 19: OTHER EXPENSES**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Labour Charges	24,185	1,02,814
Repairs & Maintenance (Others)	7,000	4,237
Advertisement, Publicity & Sales Promotion	81,083	71,326
Rates and Taxes	45,983	-
Postage, Telephone & Telefax	120	11,200
Printing & Stationery Expenses	4,480	23,499
Filing Fees	13,800	41,040
General Office Expenses	5,297	3,800
Bank Charges	1,464	17,201
Bad Debts	17,842	-
Legal and Professional Fees	2,22,149	15,12,266
Listing Fees	3,47,787	4,15,037
<b>Payment to Auditors</b>		
- Audit Fees	90,000	90,000
<b>TOTAL</b>	<b>8,61,190</b>	<b>22,92,420</b>



**NOTE 20: CONTINGENT LIABILITIES AND COMMITMENTS**

Statute	Financial Year to which matter pertains	Forum where matter is pending	As at March 31, 2019	As at March 31, 2018
Income Tax	FY 2010-11	Commissioner of Income tax Appeals	27,030	27,030
Fema	FY 2001-02	Appellate Tribunal for Foreign Exchange	27,19,901	27,19,901
<b>TOTAL</b>			<b>27,46,931.00</b>	<b>27,46,931.00</b>

**1 Disputed Liabilities on account of Sales Tax, Entry Tax, Excise Duty and Service Tax as at March 31, 2019**

**Notes :**

- (i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/authorities
- (ii) The Company does not expect any reimbursements in respect of the above contingent liabilities
- (iii) The Company's pending litigations comprise of proceedings pending with Income Tax / FEMA. The Management has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Management does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

**NOTE 21: EARNINGS PER SHARE**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit for the year as per Statement of Profit & Loss	81,15,172	81,83,404
Weighted Average No. of Equity Shares for of Face Value 7 10 each	1,15,50,000	1,15,50,000
<b>Earnings Per Share - Basic &amp; Diluted</b>	<b>0.70</b>	<b>0.71</b>

**NOTE 22: CAPITAL MANAGEMENT**

The Company's objective for Capital Management is to maximise shareholder value, safeguard business continuity, and support the growth of the Company. Capital includes, Equity Capital, Securities Premium and other reserves and surplus attributable to the equity shareholders of the Company. The Company determines the capital requirement based on annual operating plans and long term and strategic investment and capital expenditure plans. The funding requirements are met through a mix of equity, operating cash flows generated and debt. The operating management, supervised by the Board of Directors of the Company regularly monitors its key gearing ratios and other financials parameters and takes corrective actions wherever necessary. The relevant quantitative information on the aforesaid parameters are disclosed in these financial statements.



The company monitors capital on the basis of the following gearing ratio :

Particulars	As at March 31, 2019	As at March 31, 2018
Total interest bearing financial liabilities	-	-
Less : Cash and Cash Equivalents	15,01,278	16,99,271
<b>Adjusted Net Debt</b>	<b>(15,01,278)</b>	<b>(16,99,271)</b>
Total Equity	12,14,62,148	11,33,46,976
<b>Adjusted Equity</b>	<b>12,14,62,148</b>	<b>11,33,46,976</b>
Net Debt to Equity Ratio	<b>-0.012</b>	<b>-0.015</b>

**NOTE 23: FINANCIAL INSTRUMENTS - CLASSIFICATION AND FAIR VALUE MEASUREMENT**

**(a) Financial Assets and Liabilities**

The carrying value of financial instruments by categories as at March 31, 2019 is as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Financial Assets</b>		
<u>Amortised Cost</u>		
Loans	11,37,47,598	10,56,51,364
Trade Receivables	4,088	1,38,272
Cash & Cash Equivalents	15,01,278	16,99,271
Other Bank Balances	45,851	42,997
<b>Total</b>	<b>11,52,98,815</b>	<b>10,75,31,904</b>
<b>Financial Liabilities</b>		
<u>Amortised Cost</u>		
Borrowings	1,00,000	1,00,000
Trade Payable	1,06,071	1,94,192
Other Financial Liabilities	1,20,000	76,000
<b>Total</b>	<b>3,26,071</b>	<b>3,70,192</b>

Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

**NOTE 24: FINANCIAL RISK MANAGEMENT AND POLICIES**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the managing board. The details of different types of risk and management policy to address these risks are listed below:

**(a) Market Risk:-**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables,



payables and loans and borrowings. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

**(a)(i) Market Risk - Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates primarily to the Company's fixed deposits. Since all these are generally for short durations, there is no significant interest rate risks pertaining to these deposits

**Exposure to interest rate risk**

The interest rate profile of the Company's interest bearing financial instruments is as follows

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Fixed-rate instruments</b>		
Financial Assets - Bank deposits	45,851	42,997
<b>Total</b>	<b>45,851</b>	<b>42,997</b>

**Sensitivity analysis to interest rate risk**

The company doesn't account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

**(a)(ii) Market Risk - Price Risk**

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security against its bank borrowings. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

**(a)(iii) Market Risk - Currency Risk**

The fluctuation in foreign currency exchange rates may have a potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The company does not has any asset or liability in the foreign currency. in view of this it is not susceptible to market currency risk arising from fluctuation in foreign currency exchange rates.

**(b) Credit Risk**

Credit Risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of Financial Assets represents the maximum credit exposure

**Trade Receivables**

The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, industry information, business intelligence and in some cases bank references.

Trade Receivables of the Company are typically unsecured, except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the business. Credit Risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. The Company has no concentration of Credit Risk as the customer base is geographically distributed in India.

**Expected credit loss for trade receivable:**

The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. On account of adoption of Ind AS 109, the Company uses lifetime Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. Loss rates are based on actual credit loss experience and past trends. The provision matrix takes into account external and internal credit risk factors and historical experience / current facts available in relation to defaults and delays in collection thereof



The movement of the expected loss provision (allowance for bad and doubtful loans and receivables etc.) made by the company are as under:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance of expected loss provision	36,76,387	36,76,387
Add : Provisions made (net)	-	-
Less : Utilisation for impairment / de-recognition	-	-
<b>Closing balance</b>	<b>36,76,387</b>	<b>36,76,387</b>

### Other Financial Assets

The company maintains its Cash and Cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

### Expected credit loss on financial assets other than trade receivable:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties, from whom these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on such financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet.

The Company's maximum exposure to credit risk as at 31st March, 2019 31st March, 2018 is the carrying value of each class of financial assets.

### (c) Liquidity Risk

Liquidity Risk is the risk that the Company will face in meeting its obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach in managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements is retained as Cash and Cash Equivalents (to the extent required).

### Exposure to Liquidity Risk

The following table shows the maturity analysis of the Company's Financial Liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet Date

Particulars	As at March 31, 2019		As at March 31, 2018	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Borrowings	1,00,000	-	1,00,000	-
Trade Payables	1,06,071	-	1,94,192	-
Other Financial Liabilities	1,20,000	-	76,000	-
<b>Total</b>	<b>3,26,071</b>	<b>-</b>	<b>3,70,192</b>	<b>-</b>



## NOTE 25: RELATED PARTY

### List of related parties

#### A Enterprises where control exists

Subsidiaries (Extent of Holding): NIL

Associates : NIL

Enterprise in which Key Managerial Personnel and their relatives have significant Influence :  
Plastex Products Pvt Ltd.  
Haria Apparels Limited

#### B Key Managerial Personnel :

Kantilal Haria  
Utsav Maru  
Neha Kothari  
Nitin Oza  
Mohit Suddala (seized from 1.10.18)  
Sushila Oza (w.e.f. 01.10.2018)

Particulars	Subsidiary Companies, Associates and Joint Venture	Promoter Group Companies / Entities in which Key Management Personnel's relatives are interested	Key Management Personnel & their relatives	Total
LOANS GIVEN	-	(26,00,000)	-	(26,00,000)
LOANS GIVEN RECEIVED BACK	-	5,75,000 (61,65,000)	-	5,75,000 (61,65,000)
LOANS RECEIVED	-	-	(50,000)	(50,000)
LOANS GIVEN OUTSTANDING	-	2,87,58,083 (2,93,33,083)	-	2,87,58,083 (2,93,33,083)
LOANS RECEIVED OUTSTANDING	-	1,00,000 (1,00,000)	-	1,00,000 (1,00,000)
DIRECTORS REMUNERATION	-	(4,80,000)	-	(4,80,000)

#### Note :

- Related Parties Relationship is as identified by the company and relied upon by the auditors.
- Figures in brackets indicate previous year's figures.



- 27 Loans given, Investments made and Corporate Guarantees given u/s 186(4) of the Companies Act, 2013 are disclosed under the respective notes. Interest and Commission are recovered where incurred.

Party	Amount at year end	Remarks
Haria Apparels Ltd	1,32,78,083	Debit Balance on Account of Merger &
Plastex Products Pvt Ltd	1,54,80,000	Demerger in FY 2011-12
Ginza Finance Pvt. Ltd.	6,73,10,000	Loan Given

- 28 Balances of Trade Receivables, Trade Payables, Advances and Deposits received / given, from / to customers are subject to confirmation and subsequent reconciliation
- 29 Figures in brackets indicate previous year's figures.

<b>CORPORATE INFORMATION</b>	<b>1</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	<b>2</b>
<b>NOTES ON ACCOUNTS</b>	<b>3-29</b>

As per our report attached  
For KANAK RATHOD & CO.  
Chartered Accountants  
Firm Reg. No. 104700W

For and on behalf of the Board of Directors  
For HARIA EXPORTS LIMITED

KANAK RATHOD  
Proprietor  
Membership No. 032833

KANTILAL HARIA  
Chairman & Managing  
Director  
DIN : 00585400

UTSAV MARU  
Director  
DIN : 07752233

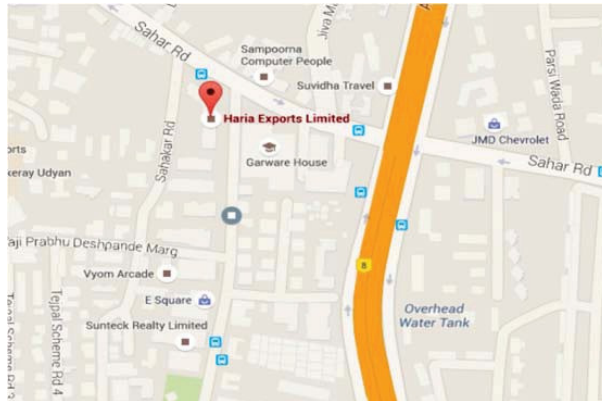
Mumbai, 30th May, 2019

Mumbai, 30th May, 2019

Mumbai, 30th May, 2019



### Route Map to the venue of the AGM



### ATTENDANCE SLIP

(To be handed over at the time of the Meeting)

Forty-Ninth Annual General Meeting

30<sup>th</sup> September, 2019

I / We hereby record my / our presence at the Forty- Ninth Annual General Meeting of the Company held at its Registered Office at **8, Subhash Road, Vile Parle (East), Mumbai – 400057** on Monday, 30<sup>th</sup> September, 2019 at **09:30 A.M.**

Full name of the Member

(in BLOCK LETTERS) \_\_\_\_\_

Regd. Folio No. \_\_\_\_\_

No. of shares held \_\_\_\_\_

Full name of Proxy

(in BLOCK LETTERS) \_\_\_\_\_

Signature of the member(s) or

Proxy/proxies present





Form No. MGT-11

**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 : \_\_\_\_\_ E-mailId \_\_\_\_\_

Address : \_\_\_\_\_

\_\_\_\_\_ Signature : \_\_\_\_\_ or failing him/her

2. Name : \_\_\_\_\_ E-mailId \_\_\_\_\_

Address : \_\_\_\_\_

\_\_\_\_\_ Signature : \_\_\_\_\_ or failing him/her

3. Name : \_\_\_\_\_ E-mailId \_\_\_\_\_

Address : \_\_\_\_\_

\_\_\_\_\_ Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **FORTY-NINETH** Annual general meeting of the company, to be held on the **Monday, 30<sup>th</sup> September, 2019** and at any adjournment thereof in respect of all resolutions.

**Resolution No. :**

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019, together with the Reports of the Board of Directors & Auditors thereon.

2. To appoint a Director in place of Mr. Kantilal Haria (DIN : 00585400), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

3. To appoint Auditors and to fix their remuneration.

4. To appoint Mrs. Sushila Kirti Oza (DIN : 07543069) as Director.

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

Signature of shareholder      Signature of Proxy holder(s)

<b>Affix</b>
<b>Revenue</b>

**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**  
Haria Centre, 8, Subhash Road,  
Vile Parle (E), Mumbai - 400 057.  
Tel. No.: 6154 6154

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