



HARIA EXPORTS LIMITED

**42nd ANNUAL REPORT
2011 - 2012**

**BOARD OF DIRECTORS**

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

Chairman & Managing Director
Joint Managing Director
Director
Director

AUDITORS

M/s. Sunderji Gosar & Co.

Chartered Accountants

BANKERS

Punjab National Bank & Others

REGISTERED OFFICE

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

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

INVESTOR SERVICE CELL

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

PLANTS**1) Vapi:**

Unit No. 1
345/358, GLD.C.
Silvassa Road, Vapi
Gujarat

2) Bhiwandi:

Prerna Complex, A-5, Gala No.5-8
AnjurPhata, Dapoda Road,
Bhiwandi, Dist.Thane - 421 302

CONTENTS

	Page No.
Notice	2
Director's Report	3
Corporate Governance Report	8
Auditor's Report	19
Balance Sheet	22
Profit and Loss Account	23
Cash Flow Statement	24
Notes	25

**NOTICE**

NOTICE is hereby given that the **Forty-Second** Annual General Meeting of the members of **HARIA EXPORTS LIMITED** will be held on **Friday, 28th September 2012**, at 10.00 a.m at 1ST Floor, Vilco Centre, 8, Subhash Road, Vile Parle (East), Mumbai - 400 057 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Balance Sheet as at 31st March, 2012 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sunil P. Mistry who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and authorise the board to fix their remuneration.

Special Business

To consider and, if thought fit, to pass with or without modifications, the following resolution as on **Ordinary Resolution** :

By Order of the Board

Place : Mumbai
Date : 30/05/2012

(KANTILALL. HARIA)
Chairman & Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN ITS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER, PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY. NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING AT THE REGEISTERED OFFICE.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September 2012 to 28th September 2012 (both days inclusive).
3. Members who hold shares in dematerialized form are requested to bring their ID and DPID numbers for easy identification of attendance at the Meeting.
4. Members who wish to attend Meeting, are requested to bring attendance slip sent herewith, duly filled in and the copy of the Annual Report. Copies of the Annual Report will not be distributed at the Meeting. Members are requested to intimate to the Company's Registrar and Transfer Agents. **M/s. Link Intime India Pvt. Ltd.** C - 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai - 400 078 for changes if any, in their registered address at an early date and quote their Folio Numbers / Client ID / DPID in all their correspondence.

By Order of the Board

Place : Mumbai
Date : 30/05/2012

(KANTILALL. HARIA)
Chairman & Managing Director



D I R E C T O R S ' R E P O R T

**TO,
THE MEMBERS,
M/S. HARIA EXPORTS LIMITED
MUMBAI.**

Your Directors have pleasure in presenting their 42nd Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL RESULTS :

The Financial Results of the Company for the year ended 31st March, 2012 are summarized as under:

Year Ended (Rs. in Lacs)

Particulars	31st March, 2012	31st March, 2011
Sales and other Income	739.75	805.88
Increase/(Decrease) in stock	(81.26)	(11.72)
Less: Expenditure	717.27	827.32
Profit Before Depreciation	(58.78)	(33.16)
Less: Depreciation	82.44	77.21
Profit Before Tax	(141.22)	(110.37)
Less: Provision for Tax	---	---
Profit After Tax	(141.22)	(110.37)
Less: Prior period Expenses	—	6.09
	(141.22)	(116.46)
Add: Deferred Tax	84.18	46.07
Net Profit	(57.03)	(70.40)
Add: Balance Brought Forward	57.03	191.82
Balance Available for Appropriation	—	121.42
Less: Proposed Dividend for the year	N.A.	NIL
Less: Transfer to General Reserve	N.A.	NIL
Balance Transferred to Balance Sheet	N.A.	121.42

1. DIVIDEND:

Your Directors do not recommend any Dividend for the year 2011 – 2012.

2. MANAGEMENT ANALYSIS:

2.1 Industry Structure & Development:

The textile industry occupies a unique place in the economy of the country by virtue of its contribution to Industrial output, employment generation and Foreign exchange earnings. Even though the textile industry has the distinctive advantage in respect of raw material and skilled labour, the industry is suffering from technology obsolescence which in turn affects the quality, productivity and cost effectiveness. The textile and clothing are closely related with textiles providing major input to the clothing industry. International trades were regulated by the Agreement on Textiles and Clothing (ATC) at the multilateral level with various bilateral and regional trade agreements. The ATC called for phasing out of quota restrictions by putting pre-condition to the formation of World trade Organization (WTO). The textile and clothing sector has become subject to the



World Trade Organization (WTO), after removal of quotas from 1st January 2005. China has been re-imposed with restrictions both from E.U. and the U.S.A. which helps India to further increase its presence in the global apparel industry. The Indian textile industry plays a vital role in the Indian economy by contributing to GDP, generating employment and earning foreign exchange. An estimated 38 million people are directly employed in the textile industry in India and contributes to 4% of GDP and 20% of total export earnings. India currently exports more than one hundred garment product categories and out of this, cotton apparel exports dominate, contributing nearly 76% by value and synthetic constitutes 12%. Indian textile exports is expected to grow from the current levels to US\$ 50 billion by 2010, consequent to quota removal, apparel being US\$25 billion.

2.2 Manufacturing of Note-Books:

The company has set up plant for manufacturing of note books keeping in view the market as the product is highly used in the Consumer market and the company can avail the maximum benefits from this product. The company had commenced its production of note books in December, 2008 and also marketed the same during the said period. The sales had considerably reached to an higher extent in a very short period. Your company expects that the turnover of this product will still rise in the near future.

2.3 Opportunities & Threats:

After dismantling of quotas, India seems to benefit due to raw material, design skills and skilled labour advantages. India is the world's third largest producer of cotton, second largest producer of cotton yarn, third largest exporter of cotton fabric and fourth largest exporter of synthetic fabric. With the establishment of training institutions like National Institute of Fashion Technology (NIFT), many high quality designers, who are able to create modern designs and interact with the buyers, are emerging. This is a distinctive advantage that Indian companies have, and which has not yet been exploited. India already enjoys a significant competitive advantage in terms of labour cost per hour over developed countries like USA, EU, and Hong Kong, Taiwan Singapore etc. India is rich in traditional workers adept at value adding tasks such as embroidery, minor work, and beading and at marketing complex garments. Apart from these, USA and EU imposed quotas on China recently, which would benefit India in consolidating its market share and good political relations with these two countries would further help. In spite of above advantages that India has, there would be pricing pressures in view of dismantling of quotas as new small and medium manufacturers would crop in not only within India but also from other countries where similar quotas were imposed earlier. Also India has geographical disadvantage which takes little longer time to reach its products to the key markets. It seems the price has been, more or less, stabilized and the buyers are looking for quality manufactures, even if it costs little more.

2.4 Risks and Concerns:

The risk factor is that with the opening up of international markets, after removal of quota system, there may be pricing pressure on products due to various suppliers who will start competing for the same orders in the international markets. Apart from the above the Industry is exposed to foreign currency risk. The Government of India has instituted several policies to promote the growth and these include interest rate subsidies, duty/tax reimbursement schemes etc. Withdrawal/ termination of any of these policies / schemes may adversely impact the profitability of the Company. Also wage costs in India have been significantly lower than the wage costs in the developed countries for skilled professionals in the textile industry, which has been our competitive strength. Wage increase in India may prevent industry from sustaining this competitive advantage and may negatively affect our profit margins.

2.5 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.

2.6 Financial Analysis:

BALANCE SHEET

(RUPEES IN LACS)

Particulars	31st March, 2012	31st March, 2011
Share Capital	1155	574
Reserve & Surplus	538	1218
Loans (Secured)	-	13.30
Unsecured Loans	150	1308
Provision for Taxation	-	-
Net Fixed Assets	317	646
Net Current Assets	1526	2466

2.7 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.

2.8 Scheme of Arrangement

The Company has during the year 2011-12 demerged its textile business into Haria Apparels Ltd. and has also amalgamated within it Best Plastex Pvt. Ltd. The said scheme of arrangement was sanctioned by the Hon'ble High Court Judicature at Bombay vide Order dated 22nd March, 2012.

3) Deposits:

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits Rule) 1975 during the year under review.

4) Directors:

In accordance with the Articles of Association, Mr. Sunil P. Mistry retire by rotation and being eligible, offer himself for re-appointment.

5) Directors' Responsibility Statement:

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

- (1) That in preparation of the Annual Accounts for the year ended 31st March, 2012; the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- (2) That such Accounting Policies as mentioned in Note No. 2 of the Annual Accounts has been selected and applied consistently and judgments and estimates that are reasonable and prudent are made so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31st March, 2012 and of the Profit of your Company for that year.



- (3) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the Provisions of Companies Act, 1956 for safeguarding the Assets of your Company and for preventing and detecting fraud and other irregularities.
- (4) That the Annual accounts for the year ended 31st March, 2012 have been prepared on a going concern basis.

6) Corporate Governance:

Your Company is committed to achieving the best standards of Corporate Governance. To achieve this, your Company is striving to adopt best practices in Corporate Governance. The requirements of Clause 49 of the Listing Agreement has been compiled by the Company in the financial year 2011 - 2012. The Certificate of M/s. Sunderji Gosar & Co. the Statutory Auditors of the Company regarding Compliance of the Corporate Governance Code is annexed herewith. The Company has been complying with Corporate Governance to the extent and in the manner set out in Annexure 'B' forming part of this Report.

7) Conservation of Energy, Technology, Absorption and Foreign Exchange:

Information under Section 217 (1)(e) read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure "A"

8) Particulars of Employees:

The Company does not have any Employee whose information are required to be given pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975.

9) Auditors:

M/s. Sunderji Gosar & Co, Chartered Accountants, Mumbai, Auditors of the Company will retire at the conclusion of this Annual General Meeting and are eligible for re-appointment. The Members are requested to re-appoint the Auditors and authorize the board to fix their remuneration.

Explanation u/s. 213(2) of the Companies Act, 1956:

As regards Auditors remark in note no. "2" of notes to Account it is self explanatory needs and no further explanation.

Appreciation:

The Board wishes to record its appreciation of the efforts put in by the employees of the company, which has enabled it to grow impressively. The Directors thank the customers, vendors, investors, press and bankers for their continued support of your Company's growth. Your Directors thank the Government of India, Government of Maharashtra, Government of Gujarat, Director General of Foreign Trade, Apparel Export Promotion Council, Reserve Bank of India and other Governmental Agencies for their support during the year and look forward to their continued support.

On Behalf of the Board of Directors

**Place : Mumbai
Date : 30/05/2012**

**(KANTILALL. HARIA)
Chairman & Managing Director**



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

A. PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

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

Power & Fuel Consumption	Current Year 2011 - 12	Previous Year 2010 - 11
1. Electricity		
a) Purchased		
Units (000 KWH)	140199	103721
Total Amount (Rs.)	924841	666809
Rate per Unit (Rs.)	6.60	6.43

B. CONSUMPTION PER UNIT OF PRODUCTION

PRODUCT	Current Year 2011 - 12	Previous Year 2010 - 11
1. Garments Pieces		
a) (i) Production (Pieces)	143114	168018
(ii) Note Book (Dozen)	119081	240653
2. Garments Pieces		
b) Power (Units KWH)	140199	103721
c) Consumption per unit (KWH)	0.53	0.25

FORM - B**1. PARTICULARS WITH RESPECT TO TECHNOLOGICAL ABSORPTION**

The technology involved in garment manufacture have been assimilated over a long period of time and it has not been found necessary to induct any new skills from abroad.

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

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

The particulars of foreign exchange earned and utilised during the year are stated in Note to Accounts forming part of the Balance Sheet.

On Behalf of the Board of Directors

Place : Mumbai
Date : 30/05/2012

(KANTILALL. HARIA)
Chairman & Managing Director



ANNEXURE 'B'

A REPORT ON CORPORATE GOVERNANCE

1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

2) BOARD OF DIRECTORS:

The Board of Directors of Haria Exports Ltd. formulates the strategy, reviews the performance, keeps check on utilization of resources and ensures that the corporate objectives are met on consistent and transparent basis.

The Board represents an optimum combination of Executive and Non- Executive Directors and is in conformity with the Provisions of Listing Agreement on Corporate Governance, Composition of the Board and the category of the Directors as well as details of their Directorship / Membership in other Companies / Committees including those of Haria Exports Limited and other Companies as on 31/03/2012 are given below:

Name of the Directors	Category	Number of Directorship in Public Limited Companies.	Number of Chairmanship / Membership in Board Committees
Mr. Kantilal L. Haria, Chairman & Managing Director	Promoter & Executive Director.	1	1
Mr. Manish K. Haria, Joint Managing Director	Promoter & Executive Director.	1	1
Mr. Sunil P. Mistry	Non – Executive & Independent Director	1	1
Mr. Nitin V Oza	Non – Executive & Independent Director	1	1

Notes on Directors seeking appointment / re - appointment as required under Clause 49 (VI)(A) of the Listing Agreement entered into with the Stock Exchanges:

The Board of Directors consists of 4 (Four) Directors, Chairman and Managing Director, Joint Managing Director and 2 Non – Executive Directors who are also Independent Directors.



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

(A) Mr. Kantilal L. Haria

Shri Kantilal L. Haria, Chairman & Managing Director, FIBM (Fellowship of Institute of British Management), is highly versatile businessman engaged in various activities ranging from business to Cultural & Social activities. He has built up World-wide contacts in export trade and to name a few they consist of Heads of States of Uganda, Tanzania, Zambia and Kenya. His vast experience of business and capabilities of business Management has significantly contributed to the Company's growth. He was the Managing Committee Member of The Handloom Export Promotion Council, MADRAS, The Cotton Textiles Export Promotion Council, Mumbai, The Federation of Indian Export Organisations, Western Region, Mumbai and The Synthetic Textiles Export Promotion Council, Mumbai. He led the five member sales-cum-study team sponsored by The Handloom Export Promotion Council, Madras to African Countries.

(B) Mr. Manish K. Haria

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

(C) Mr. Sunil P Mistry

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

(D) Mr. Nitin Oza

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

Details of Attendance of the Directors at the Board Meetings held during the year 2011 -2012 and at the Last Annual General Meeting are given below :

Name of the Directors	Number of Board Meeting held while holding the Office	Number of Board Meeting attended while holding the Office	Attendance at Last AGM
Mr. Kantilal L. Haria	11	11	YES
Mr. Manish K. Haria	11	11	YES
Mr. Sunil Mistry	11	4	NO
Mr. Nitin Oza	11	4	NO

The Company follows financial year April to March. The Meeting of the Board of Directors of the Company were held on the following dates during the year 2011 - 2012.



Sr. No.	Dates of Board Meeting
1	15th April, 2011
2	29th April, 2011
3	30th May, 2011
4	14th June, 2011
5	2nd July, 2011
6	30th July, 2011

Sr. No.	Dates of Board Meeting
7	12th August, 2011
8	31th October, 2011
9	14th November, 2011
10	15th January, 2012
11	14th February, 2012

The Board Meetings are generally held at the Registered Office of the Company in Mumbai. The Board meets at least once a quarter with the gap between two meetings not exceeding four months. It has remained the practice of the Company to place before the Board, all the matters listed in Annexure - 1 to Clause 49 of the Listing Agreement. The Directors also have access to all the information about the Company and are free to recommend inclusion of any matter in the agenda for discussion. The Senior Executives are invited to attend the Board Meeting and provide clarification as and when required.

3) AUDIT COMMITTEE :

Role and Powers of The Audit Committee,

- To focus its attention on subjects relating to accounting standards, internal controls and financial policies.
- To oversee the Company's financial reporting process and disclosure of its financial information.
- To review the financial statement before submission to the Board of Directors.
- To hold prior discussion with external auditors regarding scope and nature of audit before commencement of the audit and also to have post audit discussion on the areas of concern.

The Composition, Names of the Members, Chairperson, particulars of the meeting and attendance of the members during the year are as follows :

Sr. No.	Name of the Members	Designation	Category of Director	No of Meetings attended during the year 2011-2012
1	Mr. Sunil Mistry	Member	Independent Non Executive	4
2	Mr. Manish Haria	Member	Executive Director	4
3	Mr. Nitin Oza	Member	Independent Non Executive	4

The Committee met Four times during the financial year under review. The Committee also met to consider Annual Accounts for the year ended on 31st March, 2012.

Sr. No.	Date of Meetings	Number of Members	Attendance
1	28/05/2011	3	3
2	11/08/2011	3	3
3	12/11/2011	3	3
4	11/02/2012	3	3



4. REMUNERATION COMMITTEE :

During the year no meeting of Remuneration Committee was held.

a. **Sitting fees paid during the year : NIL**

b. **Remuneration paid/ payable to the Executive Directors for the year 2011-12 are detailed below :**

(Rupees in Lakh)

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

5. SHAREHOLDERS' TRANSFER/GRIEVANCE COMMITTEE :

Haria Exports Limited has a Shareholders' Transfer / Grievances Committee to approve the share transfers and redressal of all the complaints/ requests from the shareholders. Mr. Rajesh S. Parmar, is the Compliance Officer of the Company. The composition of the share transfer committee is as under :

Mr. Kantilal L. Haria - Chairman of the Committee

Mr. Sunil Mistry - Member of the Committee

During the year, the Company received 2 cases of grievances and all the said 2 cases of grievances were resolved to the satisfaction of the shareholders.

Number of pending share transfers as on March, 31, 2012 : NIL

6. GENERAL BODY MEETING:

The Last three Annual General Meetings of the Company were held on the following dates, times and Venues.

AGM	Year	Date	Time	Venue
Thirty Ninth	2008-2009	13.08.2009	9.00 a.m.	Gomantak Seva Sangh, Utkarsh Mandal Chowk, Malvia Marg, Vile Parle (E), Mumbai – 57.
Fortieth	2009-2010	07.09.2010	9.00 a.m.	Gomantak Seva Sangh, Utkarsh Mandal Chowk, Malvia Marg, Vile Parle (E), Mumbai – 57.
Forty First	2010-2011	27.09.2011	9.30 a.m.	Gomantak Seva Sangh, Utkarsh Mandal Chowk, Malvia Marg, Vile Parle (E), Mumbai – 57.

7. DISCLOSURES :

The disclosure in respect of the related party transactions are given in the Notes to Accounts forming part of this Annual Report.

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India and other Statutory Authorities on matters relating to Capital Markets during the last three years and consequently no penalties/strictures have been imposed on the Company by these Authorities.

**8. MEANS OF COMMUNICATION**

The Company published its quarterly and half yearly results in the prescribed form within the prescribed time. The results were forthwith communicated to all the Stock Exchanges where the shares of the Company are listed and also published in Free Press Journal and Navshakti. No presentations were made to institutional investors or analysts during the year. The financial results will be displayed on the Website of the Company which is under development stage.

Your Company has not mailed half-yearly results to the shareholders in view of the above mentioned means of communication adopted by the company.

9. GENERAL SHAREHOLDER INFORMATION

All the required information has been furnished under the head 'Information for Investors.

10. COMPLIANCE :

Haria Exports Limited has complied with mandatory requirements of Corporate Governance Code. The Board would review implementation of non - mandatory requirements of Corporate Governance Code in due course of time. The Auditor's Certificate regarding compliance of Corporate Governance Code for the year 2011 - 2012 is annexed to this Report.

For and On Behalf of the Board of Directors

Place : Mumbai
Date : 30/05/2012

(KANTILAL L. HARIA)
Chairman & Managing Director



INFORMATION FOR INVESTORS

1) 42nd Annual General Meeting :

Date	: 28th September, 2012
Time	: 10.00 a.m.
Venue	: 1st Floor, Vilco Centre, 8, Subhash Road, Vile Parle (East), Mumbai – 400 057.

2) Financial Calendar (Financial Year 2012-2011) :

Unaudited Results for quarter ending June 30, 2011	: 2nd week of August , 2011
Unaudited Results for quarter ending Sept 30, 2011	: 2nd week of November, 2011
Unaudited Results for quarter ending Dec 31, 2011	: 2nd week of February, 2012
Audited Results for the year ending March 31, 2012	: Last week of May, 2012

3) Book Closure Date :

Physical	: 26th September, 2012 to 28th September, 2012 (both days Inclusive)
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4) Listing on stock Exchanges

: Mumbai

5) Stock Code

: Mumbai : 512604

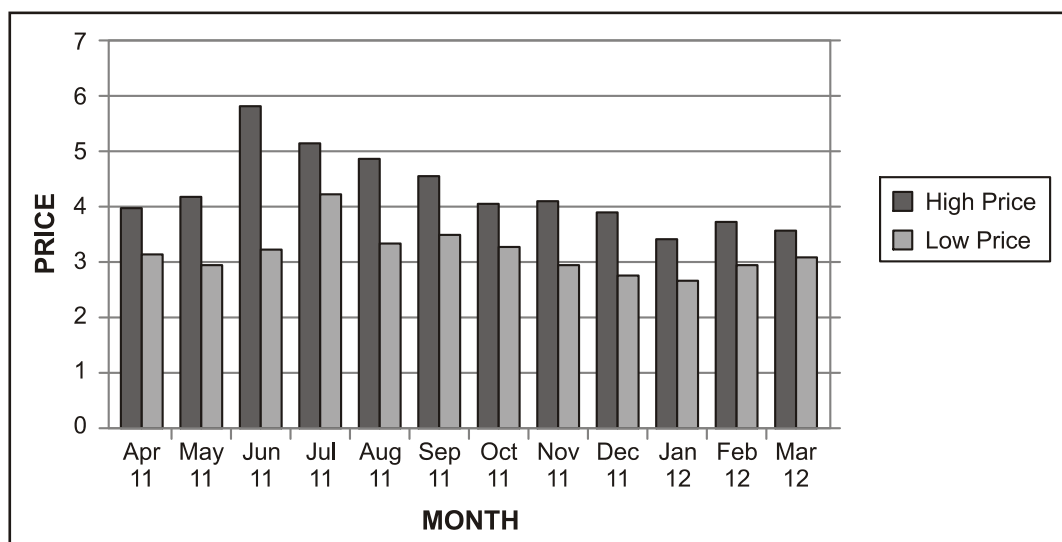
: Depositories : NSDL / CDSL

: ISIN - INE772B01014

6) Market Price, Date, High / Low during each month of the F.Y. 2011 – 2012 :

Month	Date	High Price	Date	Low Price
April – 2011	29/04/2011	4.06	01/04/2011	3.20
May – 2011	02/05/2011	4.25	11/05/2011	3.03
June – 2011	16/06/2011	5.96	01/06/2011	3.31
July – 2011	14/07/2011	5.29	06/07/2011	4.29
August – 2011	02/08/2011	4.99	25/08/2011	3.43
September - 2011	14/09/2011	4.67	28/09/2011	3.57
October – 2011	05/10/2011	4.16	24/10/2011	3.30
November – 2011	30/11/2011	4.18	21/11/2011	3.02
December – 2011	01/12/2011	4.00	30/12/2011	2.82
January – 2012	25/01/2012	3.48	03/01/2012	2.75
February – 2012	23/02/2012	3.84	03/02/2012	3.02
March – 2012	29/03/2012	3.65	07/03/2012	3.15

7) Performance in comparison to broad based indices such as BSE sensex

8) **SHARE TRANSFER SYSTEM :**

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

Registrar and Transfer Agent :

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

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

M/s. Link Intime India Pvt. Ltd.
 C - 13, Pannalal Silk Mills Compound,
 L. B. S. Marg, Bhandup (West),
 Mumbai - 400078.
 Phone No.: 25963838 Fax : 25946969
 Email : isrl@vsnl.com

The Transfer of Shares in the physical form is processed and approved twice in the month and the certificates are returned to the shareholders within 20 days from the date of receipt, subject to documents being valid and complete in all respects.

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



9) DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2012 :

Distribution of Shareholding of Equity Shares	No. of Shareholders	% of Shares held	Total No. of Shares held	Percentage
1 - 5000	5779	79.1527	1030377	17.9508
5001 - 10000	784	10.7387	650573	11.334
10001 - 20000	392	5.3684	609738	10.6226
20001 - 30000	127	1.7237	322527	5.6189
30001 - 40000	50	0.6847	179204	3.122
40001 - 50000	54	0.7395	258532	4.504
50001 - 100,000	62	0.8354	460956	7.9149
100,001 - Above	65	0.7532	8038093	38.9326
TOTAL	7313	100.00	11,550,000	100.00

Promoter's Holding	No. of shares	percentage of shareholdings
Indian Promoters:	3405727	29.49
Foreign Promoters	-	-
Persons Acting in Concert	-	-
Sub – Total	3405727	29.49
Non – Promoters Holding		
Institutional Investors		
Mutual Funds and UTI	140	0.00
Banking, Financial Institutions/ Insurance Companies (Central / State Govt. Inst. Non – Govt. Inst.)	840	0.02
Sub – Total	980	0.02
Others		
Private Corporate Bodies	649616	5.62
Indian Public	7432379	64.35
NRI/OCBs	25331	0.22
Any Other – Clearing Member	35967	0.32
Sub – Total	8143293	70.50
Grand Total	11550000	100.00


CATEGORIES OF SHAREHOLDERS AS ON MARCH 31, 2012

64.35 %	- Indian Public
29.49 %	- Promoters holding
5.62 %	- Bodies Corporate
0.22 %	- NRI/ OCBS
0.02 %	- Mutual Fund / Financial Institutions / Banks
0.32 %	- Clearing Member
<u>100.00 %</u>	

10) DEMATERIALISATION OF SHARES & LIQUIDITY :

The Shares of the Company are available for dematerialisation on both the Depositories viz.,

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

About 73.30% of the Equity Shares have been dematerialised as on March 31, 2012.

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

12) PLANT LOCATIONS :

VAPI	- Unit No. 1, 345/358, G.I.D.C. Silvassa Road, Vapi, Gujarat
BHIWANDI	- Prerna Complex, A-5, Gala No. 5-8 Anjur Phata, Dapoda Road, Bhiwandi, Dist. Thane - 421 302.

13) REGISTERED OFFICE :
HARIA EXPORTS LIMITED

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

Telephone No. : (91 - 22) 40973000

Fax : (91-92) : 40973030

E - mail : accounts@hariagroup.com

14) Nomination facility :

The Companies Act, 1956 provides for nomination facility to investors. As a Shareholder, you have an option to nominate any person as your nominee to whom your shares shall vest in the unfortunate event of your death. It is advisable to avail of this facility especially by shareholders who currently hold shares in their single name.

Nomination can avoid the process of acquiring right in shares through transmission by law. In the case of joint holders nominating their nominee, such nomination will be effective only on death of all the holders. The Shareholders may write to the Company at the Registered Office for obtaining the nomination form.

15) Folio Merging :

Members who hold shares in the same order of names in more than one folio, are requested to send their request for merging all their shareholdings into one folio, along with the share certificates, in case of physical shares.



Details of Directors seeking re-appointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges).

NAME OF DIRECTOR	MR. SUNIL P. MISTRY
Date of Birth	17/12/1977
Date of Appointment	02/08/2010
Experience in Specific Functional Area	Accounts & Taxation
Qualification	C.A.
Other Directorship	NIL
Chairman/Member of the Committee	—
Shareholding in HEL including beneficial holding	—

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

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

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

Kantilal L. Haria
Chairman & Managing Director

Place : Mumbai
Date : 30/05/2012



**AUDITORS CERTIFICATE REGARDING
COMPLIANCE OF CORPORATE GOVERNANCE**

To,
The Board of Directors,
HARIA EXPORTS LIMITED
Haria Centre,
8, Subhash Road,
Vile Parle (E),
Mumbai -400 057

We have examined the compliance of the conditions of Corporate Governance by the Haria Exports Limited for the year ended 31st March 2012, as stipulated in Clause 49 of the Listing agreement of the said company with Stock Exchange. The compliance of condition 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 the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the company. We have conducted our review on the basis of the relevant records and documents maintained by the company. Based on such review and as per the information and explanations given to us by the Company, in our opinion, the company has complied with the conditions of the Corporate Governance, as stipulated in clause 49 of the said Listing Agreement.

We state that as per the records maintained by the company there were no investor grievances remaining unattended / pending for more than 30 days.

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.

For **SUNDERJIGOSAR & CO.**
Chartered Accountants
Firm Registration No. 115543W

ALPESH K. SAVLA
Partner
M. No. 047828

Place : Mumbai
Date : 30/05/2012

**AUDITOR'S REPORT**

To:

**The Members of
Haria Exports Limited**

1. We have audited the attached Balance Sheet of Haria Exports Limited as at 31st March, 2012, the Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto, in which are incorporated the Branch Accounts audited by us. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of subsection (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Without qualifying our opinion we draw your attention to Note No. 1 of the financial statements regarding the Scheme of Arrangement between Best Plastex Private Limited, the Amalgamating Company and the Haria Exports Limited, the Amalgamated/Demerged Company and Haria Apparels Limited, the Resulting Company. Sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated 22nd March, 2012 Pursuant to the scheme, all assets and liabilities have been recorded.
5. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
 - (I) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (II) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (III) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (IV) In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (V) On the basis of written representations received from the Directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (VI) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to Note No. 2 of the notes to accounts give the information required by the companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

ALPESH K. SAVLA
Partner
M. No. 047828

Place : Mumbai
Date : 30/05/2012



ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date)

- I. a. We have been informed that the Company is maintaining proper records showing full particulars, including quantitative details and situation of Fixed Assets.
b. All the assets have not been physically verified by the management during the year but there is a programme of verification at the year end which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
c. During the year, the Company has not disposed off substantial part of any of the Plant & Machinery and hence has not affected the going concern status of the company
- II. a. As informed to us, the inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
b. In our opinion, the procedures of physical verification of the inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- III. a. The company has taken loan from three parties covered in the register maintained under section 301 of the Companies Act, 1956 (which is being updated). The maximum amount involved during the year was Rs.284.42 Lacs and the year-end balance of loans taken from such parties was Rs.150.00 Lacs. The Company has not granted any loans to parties covered in the Register maintained under section 301 of the Companies Act, 1956.
b. In our opinion and according to the explanations given to us the rate of interest, wherever charged and other terms and conditions of such loans are not prima facie prejudicial to the interest of company.
c. It is informed to us that there is no overdue amount of loans taken from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods which are under review during the course of our audit, we have not observed any continuing failure to correct major weakness in internal control.
- V. a. According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 are in the process of being updated.
b. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements which are being entered in the register maintained under section 301 of the Companies Act, 1956 exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time on cash basis.
- VI. In our opinion and according to the information and explanations given to us, Provisions of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public does not apply to the company in the year under consideration.
- VII. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business, which is under review.
- VIII. We have broadly reviewed the books of account maintained by the Company pursuant to the notification of the Central Government for maintainance of cost record under section 209(1)(d) of the Companies Act, 1956 and on the basis of such review, we are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.
- IX. In respect of statutory dues :
 - a. According to information and explanation given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund,



Employee's State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise duty and cess which were outstanding as at 31st March, 2012.

- b. According to the information and explanations given to us, there are no dues of customs duty, excise duty, sales tax, wealth tax and cess on account of any dispute.

Sr. No.	Name of the Statute	Nature of dues	Forum where dispute is pending	Amount Rs. (in Lacs)
1	Income Tax Act, 1961	Income Tax – F. Y. 1998-99, 1999-2000, 2000-2001.	The Hon'ble High Court, Mumbai	154.00

- X. The Company does have accumulated losses of Rs. 141.22 Lacs at the end of Financial Year. The company has incurred cash loss of Rs. 58.78 lacs during the financial year covered by our report.
- XI. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution or bank.
- XII. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other similar securities.
- XIII. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore the provisions of clause (XIII) of paragraph 4 of the aforesaid order are not applicable to the Company.
- XIV. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (XIV) of paragraph 4 of the aforesaid order are not applicable to the Company.
- XV. The Company has given guarantees for loans taken by other companies from banks or financial institutions. According to the information and explanation given to us, we are of the opinion that the other terms and conditions thereof are not prima facie prejudicial to the interests of the company.
- XVI. According to the information and explanations given to us, term loan have been transferred to the demerged company as per the scheme of demerger during the year.
- XVII. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investments.
- XVIII. The Company has not made any preferential allotment of shares to Promoters and Promoter's group covered in the registered maintained under Section 301 of the Act. Therefore, the provisions of clause (XVIII) of paragraph 4 of the aforesaid order are not applicable to the Company.
- XIX. The Company has not issued any debentures during the year under audit. Accordingly the provisions of clause (XIX) of paragraph 4 of the aforesaid order are not applicable to the Company.
- XX. The Company has not raised any money by way of public issue during the year. Therefore, the provisions of clause (XX) of paragraph 4 of the aforesaid order are not applicable to the Company.
- XXI. During the course of our examination of the books of accounts carried out in accordance with Generally Accepted Auditing Practices, we have neither come across any instance of fraud on or by the Company nor have we been informed of any such case by the Management.

For **SUNDERJIGOSAR & CO.**
Chartered Accountants
Firm Registration No. 115543W

ALPESH K. SAVLA
Partner
M. No. 047828

Place : Mumbai
Date : 30/05/2012



BALANCE SHEET AS AT MARCH 31, 2012

Particulars	Note No.	As At 31/03/2012	As At 31/03/2011
I. EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUND			
- Share Capital	1.1	11,55,00,000	5,74,00,000
- Reserves and Surplus	1.2	5,37,90,417	12,18,66,622
- Money received against Share Warrants	1.3	-	-
	Sub-Total - (A)	16,92,90,417	17,92,66,622
2 SHARE APPLICATION MONEY PENDING ALLOTMENT	2.1	-	-
	Sub-Total - (B)	-	-
3 NON-CURRENT LIABILITIES			
- Long-term Borrowings	3.1	1,50,00,000	13,14,76,866
- Deferred Tax Liabilities (net)	3.2	-	-
- Other Current Liabilities	3.3	-	-
- Long-term Provisions	3.4	-	-
	Sub-Total - (C)	1,50,00,000	13,14,76,866
4 CURRENT LIABILITIES			
- Short-term Borrowings	4.1	18,33,861	58,956
- Trade Payables	4.2	66,76,506	8,07,02,857
- Other Current Liabilities	4.3	56,96,480	1,35,34,798
- Short-term Provisions	4.4	2,18,945	2,66,542
	Sub-Total - (D)	1,44,25,792	9,45,63,153
TOTAL	(A+B+C+D)	19,87,16,209	40,53,06,641
II. ASSETS			
5 NON-CURRENT ASSETS			
- Fixed Assets			
Tangible Assets	5.1	3,16,68,165	6,46,95,913
Intangible Assets		-	-
Capital work-in-progress		-	-
Intangible assets under Development		-	-
- Non-current investments	5.2	-	69,100
- Deferred Tax Assets (net)	3.2	14,56,072	2,53,52,452
- Long-term Loans and Assets	5.3	12,13,16,000	9,16,13,567
- Other Non-current Assets	5.4	5,41,973	2,53,41,232
	Sub-Total - (E)	15,49,82,211	20,70,72,264
6 CURRENT ASSETS			
- Current Investments	6.1	-	-
- Inventories	6.2	1,21,00,985	5,18,93,931
- Trade Receivables	6.3	3,08,15,284	14,22,91,390
- Cash and Cash Equivalent	6.4	6,81,813	38,58,642
- Short-term Loans and Advances	6.5	80,000	25,000
- Other Current Assets	6.6	55,916	1,65,415
	Sub-Total - (F)	4,37,33,998	19,82,34,378
TOTAL	(E+F)	19,87,16,209	40,53,06,641

Note 1 to 15 from an integral part of accounts

For SUNDERJIGOSAR & COMPANY
Chartered Accountants
Firm Registration No. 115543W

For HARIA EXPORTS LTD

(Partner - Alpesh Savla)
Membership No. 047828

Kantilal L. Haria
Director

Manish K. Haria
Director

Place: Mumbai
Date : 30/05/2012

Place: Mumbai
Date : 30/05/2012

Place: Mumbai
Date : 30/05/2012



**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED
ON 31ST MARCH, 2012**

Particulars	Note No.	For the Year Ended 31/03/2012	Year Ended As On 31/03/2011
(i) Revenue form Operations:	7.1		
- Sale of Products		5,19,74,560	5,99,57,272
- Other Operating Income		37,79,625	14,22,623
(ii) Other Income	8.1	1,82,20,940	1,92,07,889
Total Revenue (i+ii)		7,39,75,125	8,05,87,784
Expenses			
- Cost of Material Consumed	9.1	2,65,33,069	3,85,78,287
- Purchase of Stock-in-Trade	10.1	-	-
- Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	11.1	1,16,18,207	13,82,281
- Employee benefit expenses	12.1	30,57,718	22,13,082
- Finance Cost	13.1	13,50,969	10,21,431
- Depreciation and amortisation expense	5.1	82,43,786	77,21,140
- Other Expense	14.1	3,72,92,944	4,13,18,068
Total Expenses		8,80,96,693	9,22,34,289
Profit before exceptional and extra-ordinary items and Tax		(1,41,21,569)	(1,16,46,504)
Exceptional items		-	-
Profit before extra-ordinary items and Tax		-	-
Extra-ordinary items		-	-
Profit Before Tax		-	-
- Tax Expense			
Current Tax		-	-
Short / (Excess) provision for tax of earlier year(s)		-	-
Deferred Tax		(84,17,865)	(46,06,650)
Total Tax		(84,17,865)	(46,06,650)
Profit and Loss from Continuing operations		-	-
Profit and Loss from Discontinuing operations		-	-
Tax expense on Discontinuing operations		-	-
Profit from Discontinuing Operations (after tax)		-	-
Profit for the period		(57,03,704)	(70,39,854)
Equity Share of par value Rs. 10 each		1,15,50,000	57,40,000
Basis			
Diluted		(0.49)	(1.23)

Note 1 to 15 from an integral part of accounts

For SUNDERJI GOSAR & COMPANY
Chartered Accountants
Firm Registration No. 115543W

For HARIA EXPORTS LTD

(Partner - Alpesh Savla)
Membership No. 047828

Kantilal L. Haria
Director

Manish K. Haria
Director

Place: Mumbai
Date : 30/05/2012

Place: Mumbai
Date : 30/05/2012

Place: Mumbai
Date : 30/05/2012



**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31/03/2012
PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT**

	2011-2012	2010-2011
A) NET PROFIT AFTER TAX AND EXTRAORDINARY ITEMS	(141.22)	(110.37)
DEPRECIATION	82.44	45.60
PRIOR PERIOD ITEMS	0	(6.09)
DIVIDEND RECEIVED	(0.08)	(0.09)
PROFIT /LOSS ON SALE OF ASSETS	0	0.00
PROFIT /LOSS ON SALE OF INVESTMENTS	0	0.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	(58.86)	(70.95)
ADJUSTMENTS FOR		
SHARE CAPITAL	581	0.00
TRADE AND OTHER RECEIVABLES	1065.62	407.86
INVENTORIES	397.93	(32.29)
TRADE PAYABLES	(2,335.22)	(139.16)
NET CASH FROM OPERATING PROFIT	(349.53)	165.46
B) CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	330.28	(150.43)
SALE OF FIXED ASSETS	0	0.00
INVESTMENTS DURING THE YEAR	0.69	0.00
DIVIDEND RECEIVED	0.08	0.09
	331.05	(150.34)
C) CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM LONG TERM BORROWINGS	(13.30)	(5.97)
PROCEEDS FROM SHORT TERM BORROWINGS	0.00	0.00
NET CASH USED IN FINANCING ACTIVITIES	(13.30)	(5.97)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(31.78)	9.15
ADD CASH AND CASH EQUIVALENTS AS ON OPN. BAL.	38.59	29.44
CASH AND CASH EQUIVALENTS AS CLSG. BALANCE	6.81	38.59

For and on behalf of Board of Directors

Place : Mumbai
Date : 30/05/2012

Kantilal L. Haria
Chairman & Managing Director

To,
The Board of Directors,
Haria Exports Limited

We have examined the attached Cash Flow Statement of Haria Exports Ltd., for the year ended 31st March 2012. The statement has been prepared by the Company in accordance with requirement of listing agreement Clause 32 of Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date of the members of the company.

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

Place : Mumbai
Date : 30/05/2012

ALPESH K. SAVLA
Partner
M. No. 047828



**NOTES FORMING INTEGRAL PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2012**

Note No. 1.1 :- SHARE CAPITAL

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Authorised Capital :		
22,00,000 (PY 1,50,00,000) Equity Shares of Rs. 10/- each	22,00,00,000	15,00,00,000
50,00,000 (PY:50,00,000) Preference Shares of Rs.10/- each	5,00,00,000	5,00,00,000
	27,00,00,000	20,00,00,000
Issued, Subscribed and Fully Paid up :		
EQUITY SHARE CAPITAL		
11,550,000 (PY:5,740,000) Equity Shares of Rs.10/- each fully paid up	11,55,00,000	5,74,00,000
	11,55,00,000	5,74,00,000

a. Details of Shareholding as at March 31, 2012

i. Equity / Preference Shares held by various entities:

587952 Eq. Shares of Rs.10/- each held by Associate Company Vilco Pharma Pvt. Ltd.

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

2482530 Equity Shares of Rs.10/- each held by Manish K. Haria (HUF)

620633 Equity Shares of Rs. 10/- each held by Mr. Manish K. Haria

1070300 Equity Shares of Rs.10/- each held by Mr. Ketan Keshvaji Shah

1041650 Equity Shares of Rs.10/- each held by Mr. Ramesh Keshvaji Shah

b. Reconciliation of the number of Equity Shares outstanding

(Amount in Rs.)

Particulars	March 31, 2012 No. of Shares	March 31, 2011 No. of Shares
Number of Shares at the beginning of the year	57,40,000	57,40,000
Add: Shares issued as per the scheme of arrangement	58,10,000	-
Less: Shares Forfeited	-	-
Number of Shares at the end of the year	1,15,50,000	57,40,000



**NOTES FORMING INTEGRAL PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2012**

Note No. 1.2 - RESERVES AND SURPLUS

(Amount in Rs.)

Particulars	Opening as at 01-04-2011	Additions	Deductions / Adjustments	Balance as at 31-03-2012
Capital Reserve	1,82,000	-	-	1,82,000
Share Premium Account	4,96,00,000	-	92,69,558	4,03,30,442
General Reserves	5,99,42,220	-	4,66,64,245	1,32,77,975
Surplus as per Profit and Loss Account	1,21,42,402	-	1,21,42,402	-
Total	12,18,66,622	-	6,80,76,205	5,37,90,417

Details of Profit and Loss Surplus is as given below:

(Amount in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
Net Profit/(loss) after Tax	(57,03,704)	(70,39,854)
Balance brought forward	1,21,42,403	1,91,82,257
Profit Available for Appropriation	64,38,699	1,21,42,403
APPROPRIATIONS:		
Transferred to Demerged Company	64,38,699	-
Surplus Carried to Balance Sheet	-	1,21,42,403

NOTE NO. 3.1 - LONG TERM BORROWINGS

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
I Secured Borrowings:		
a. Term Loans	-	-
- from banks	Refer Note (a)	6,42,876
Total Secured Long Term Borrowings - (I)	-	6,42,876
II. Unsecured Borrowings:		
a. Loans and advances from Related Parties	Refer Note (b)	13,08,33,990
Total Secured Long Term Borrowings - (II)	1,50,00,000	13,08,33,990
III. Total Long Term Borrowings (I + II)	1,50,00,000	13,14,76,866



**NOTES FORMING INTEGRAL PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2012**

Additional Information to Secured / Unsecured Long Term Borrowings:

Secured Long Term Borrowings

a. Term Loan from Banks

Loan from Bank is secured by way of hypothecation of Car as at March 31, 2011 which has been transferred to the Demerged Company.

b. Unsecured Long terms borrowings :

Long Term loans are received on personal guarantee of some of the directors.

Note No.3.2 - DEFERRED TAX LIABILITY (NET)

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Deferred Tax Liability	37,25,073	40,93,987
Depreciation	51,81,145	2,94,46,439
Deferred Tax Asset	14,56,072	2,53,52,452
Expenditure / Provisions allowable on payment basis - 43B Items		
Expenditure allowable u/s. 35D		
Total	14,56,072	2,53,52,452

Note No. 3.3 OTHER LONG TERM LIABILITIES

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Trade Payables	-	-
Others	-	-
Total	-	-

Note No. 3.4 - LONG TERM PROVISIONS

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Provisions for Employee Benefits	-	-
Total	-	-



**NOTES FORMING INTEGRAL PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2012**

Note No. 4.1 - SHORT - TERM BORROWINGS

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
I Secured Borrowings:	-	-
Total Secured Short Term Borrowings - (I)	-	-
II. Unsecured Borrowings		
a. Others		
- Bank Overdrawn	18,33,861	58,956
Total Unsecured Short Term Borrowings - (II)	18,33,861	58,956
III. Total Short Term Borrowings (I+ II)	18,33,861	58,956

Note No. 4.2 - TRADE PAYABLES

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Trade Payables		
- Other than Micro and Small Enterprises		
ii. To Others	66,76,506	8,07,02,857
Total	66,76,506	8,07,02,857

Note No. 4.3 - OTHER CURRENT LIABILITIES

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
a. Current maturities of Long Term Debt (Secured)	-	6,87,187
b. Deposits	-	33,00,000
c. Others		
- Statutory Dues	22,38,813	9,84,716
- Creditors for Expenses	31,29,672	7,06,762
- Creditors for Capital Goods	3,27,995	78,56,133
Total	56,96,480	1,35,34,798

Note No. 4.4 - SHORT TERM PROVISIONS

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Provision for Employee Benefits		
- Provision for Salary	2,09,543	1,03,097
Provision for outstanding expenses	9,402	1,63,445
Total	2,18,945	2,66,542

SCHEDULE ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2012
SCHEDULE - 5 FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Value as on 01/04/2011	Addition during the Year	Deduction during the Year	Value as on 31/03/2012	Value as on 01/04/2011	Addition during the Year	Deduction during the Year	Value as on 31/03/2012	WDV as on 31/03/2012	WDV as on 31/03/2011
Land	45,97,594	-	45,97,594	-	-	-	-	-	-	45,97,594
GIDC Plot	4,34,201	-	4,34,201	-	-	-	-	-	-	4,34,201
Silver Article	1,26,355	-	1,26,355	-	-	-	-	-	-	1,26,355
Building	2,33,07,558	-	2,33,07,558	-	-	-	-	-	-	2,33,07,558
GIDC Quarters	1,10,265	-	1,10,265	-	-	-	-	-	-	1,10,265
Electrical Installation	7,33,447	-	-	7,33,447	1,41,804	82,297	-	2,24,101	5,09,346	8,38,133
Furniture & Fixtures	5,13,811	-	-	5,13,811	1,93,880	57,908	-	2,51,788	2,62,023	15,69,678
Plant & Machinery	3,71,92,539	25,55,721	-	3,97,48,260	45,21,534	47,31,512	-	92,53,046	3,04,95,214	3,00,55,012
Computer	1,43,434	-	-	1,43,434	56,908	34,610	-	91,518	51,916	3,08,407
Office Equipments	17,870	-	-	17,870	4,314	1,886	-	6,200	11,671	7,13,227
Factory Equipment	3,37,721	-	-	3,37,721	49,024	40,158	-	89,182	2,48,539	21,134
Motor Vehicle	55,718	62,800	-	1,18,518	17,706	11,356	-	29,062	89,456	26,14,345
Total (Current Year)	3,89,94,540	26,18,521	-	4,16,13,061	49,85,170	49,59,727	-	99,44,897	3,16,68,165	6,46,95,913
(Previous Year)	17,17,09,955	2,21,73,523	71,30,160	18,67,53,318	11,74,97,111	77,21,141	31,60,844	12,20,57,408	6,46,95,913	5,42,12,844



**NOTES FORMING INTEGRAL PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2012**

Note No. 5.2 - INVESTMENTS - NON CURRENT

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
I. TRADE INVESTMENTS	-	-
II. OTHER INVESTMENTS		
a. Investment in Equity Instruments	-	69,100
Total Non-Current Investments	-	69,100

Note No. 5.3 - LONG TERM LOANS AND ADVANCES

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
I. Secured, Considered good	-	-
II. Unsecured, Considered good		
a. Capital Advances	12,00,50,000	9,00,75,000
b. Security Deposits	12,66,000	15,38,567
c. Loans and Advances to Related Parties	-	-
d. Other Loans and Advances (specify nature)	-	-
III. Doubtful	-	-
Total Long Term Loans and Advances	12,13,16,000	9,16,13,567

Note No. 5.4 - OTHER NON - CURRENT ASSETS

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
I. a. Secured, Considered good	-	-
b. Unsecured, Considered good	-	-
c. Doubtful	-	-
II. Others (specify nature)		
- Government Dues Receivable	5,41,973	2,53,41,232
Total	5,41,973	2,53,41,232

Note No. 6.1 - CURRENT INVESTMENTS

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
a. Investment in Equity Instruments	-	-
Total Current Investments	-	-



**NOTES FORMING INTEGRAL PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2012**

Note No. 6.2 - INVENTORIES

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
a. Raw Materials	26,16,342	3,81,32,617
b. Work in Progress	10,90,006	64,08,612
c. Finished Goods (other than those acquired for trading purpose)	83,94,637	73,52,702
Total Inventories	1,21,00,985	5,18,93,931

Note No. 6.3 - TRADE RECEIVABLES

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
a Secured, Considered good	-	-
b Unsecured, Considered good		
- Outstanding for a period exceeding six months from the date its due	40,00,637	1,57,42,110
- Others	2,68,14,647	12,65,49,280
c Doubtful	-	-
Total Trade receivables	3,08,15,284	14,22,91,390

Note No. 6.4 - CASH AND CASHEQUIVALENTS

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Cash and Cash Equivalents		
- Cash on hand	1,99,974	14,91,707
Other Bank Balances		
- Balance with Bank	4,81,839	23,66,935
Total Cash and Bank Balances	6,81,813	38,58,642

Note No. 6.5 - SHORT TERM LOANS AND ADVANCES

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
a Secured, Considered good	-	-
b Unsecured, Considered good		
- Others (Employee Advance)	80,000	25,000
c Doubtful	-	-
Total	80,000	25,000

Note No. 6.6 - OTHER CURRENT ASSETS

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Others (specify nature)		
- Prepaid Expenses	39,846.00	1,65,414.50
- Receivable on account of Rent / sale of Fixed Assets		
TDS Receivable	16,070.00	-
Total	55,916.00	1,65,414.50



**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS
AS AT 31ST MARCH, 2012**

Note No. 7.1 - REVENUE FROM OPERATIONS IN RESPECT OF NON FINANCE COMPANY (Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
<u>Revenue from Sale of Products</u>		
Exports Sales	28,07,979	43,49,905
Local Sales	4,91,66,581	5,56,07,367
<u>Other Operating Revenue</u>		
Scrap Sales	4,80,358	89,378
Labour Charges	30,29,220	7,57,043
- Export Incentives	2,70,047	5,76,202
Total Revenue from Operations	5,57,54,185	6,13,79,895

Note No. 8.1 - OTHER INCOME (Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Interest Income	67,672	-
Dividend Income:	8,405	9,362
Others	-	-
Profit on sale of fixed assets	64,85,295	61,94,346
Other non-operating income (Net)	1,16,59,568	1,30,04,181
Total	1,82,20,940	1,92,07,889

Note No. 9.1 - COST OF MATERIALS INCLUDING PACKAGING MATERIALS CONSUMED (Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Raw Material Consumption	-	-
Raw Material-Fabric	1,27,43,846	1,53,90,395
Raw Material-Paper	1,09,82,620	2,31,11,976
Packaging Material	2,00,246	75,916
Other Raw Material	26,06,357	-
Total	2,65,33,069	3,85,78,287

Note No. 10.1 - PURCHASE OF STOCK-IN-TRADE (Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Stock-in-Trade	-	-
Total	-	-

**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS
AS AT 31ST MARCH, 2012**

Note No. 11.1 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Closing Stocks:		
Finished Goods	45,49,106	64,08,612
Work-in-Progress	10,90,006	73,52,702
Stock-in-Trade	2,17,38,670	2,52,34,675
Total (A)	2,73,77,782	3,89,95,989
Less: Opening Stocks:		
Finished Goods	73,52,702	1,49,32,923
Work-in-Progress	64,08,612	-
Stock-in-Trade	2,52,34,675	2,54,45,347
Total (B)	3,89,95,989	4,03,78,270
Total (A-B)		
(Increase)/Decrease in Excise Duty on Stocks		
Total	(1,16,18,207)	(13,82,281)

NOTE NO. 12.1 - EMPLOYEE BENEFIT EXPENSES

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Salaries and Wages	26,44,563	19,04,762
Contribution to Provident and Other Funds	1,00,704	92,312
Expenses on ESOP and ESPP	-	-
Staff Welfare Expenses	3,12,452	2,16,008
Total	30,57,718	22,13,082

Note No. 13.1 - FINANCE COST

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Interest Expenses	13,49,619	10,21,431
Interest on Income Tax	1,350	-
Total	13,50,969	10,21,431



**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS
AS AT 31ST MARCH, 2012**

Note No. 14.1 - OTHER EXPENSES

(Amount in Rs.)

Particulars	March 31, 2012	March 31, 2011
Consumption of Stores and Spares	2,09,767	6,43,738
Power and Fuel	9,71,788	7,63,441
Labour & Processing Charges	62,20,415	1,11,39,124
Production Handling Charges	-	-
Rent	22,31,716	37,42,346
<u>Repairs and Maintenance of :</u>		
Buildings	9,050	15,670
Plant and Machinery	2,09,766	2,44,019
Others	4,57,168	3,10,047
Insurance	14,78,103	2,71,403
Listing Fees	2,85,628	89,486
Service Tax	1,52,851	-
Legal & Professional Fees	24,26,466	19,97,427
Service Charges	1,48,10,827	1,21,07,843
Security Charges	5,34,340	2,80,154
Postage. Telephone & Telefax	8,27,150	9,76,955
Rates and Taxes	4,81,594	21,00,091
Printing & Stationery	7,54,447	4,42,920
Travelling Exps.	10,45,552	15,43,329
Donation	35,600	-
<u>Payment to Auditors</u>		
As Auditor	5,57,015	27,575
Commission to other than Sole Selling Agents	1,88,443	2,18,434
Advertisement / Other Selling Expenses	20,52,418	10,99,597
Prior Period Expenses	-	6,09,571
Miscellaneous Expenses	13,52,839	26,94,898
Total	3,72,92,944	4,13,18,068

**Note No. 15 : Notes to Accounts****A) SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012****1. GENERAL INFORMATION**

Haria Exports Limited ('the Company') was incorporated on 28/08/1970 under The Companies Act, 1956. The company is in the Business of Manufacturing Industry - Textiles, handloom, Power and Note Books.

During the year company has demerged its textile business into Haria Apparels Ltd. and also amalgamated within it Best Plastex Pvt. Ltd. The said scheme of arrangement was sanctioned by the Hon'ble High Court Judicature at Bombay vide Order dated 22nd March, 2012.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**i) Basis of Preparation of financial statements:**

The financial statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual concept and are in line with the relevant laws as well as the guide lines prescribed by the Institute of Chartered Accountants of India. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended and the other relevant provisions of the Companies Act, 1956.

ii) Presentation and Disclosure of Financial Statements:

During the year ended March 31, 2012, the revised schedule VI notified under Companies Act, 1956 has become applicable to the company, for preparation and presentation of its financial statements. Adoption of Revised Schedule VI does not impact the recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. Maximum efforts have been made to reclassify previous year figures in accordance with Revised Schedule VI.

iii) Use of Estimates :

The preparation and presentation of financial statements requires estimates and assumptions and revised estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosures of Contingent Liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as on the date of financial statements. Differences between the actual results and estimates are recognised in the period in which the results are materialise.

3) Fixed Assets :**a) Tangible Fixed Assets**

Fixed assets have been stated at cost. Cost comprises of the purchase price and all other attributable cost of bringing the assets to its working condition for its intended use.

b) Capital work in Progress:

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



c) Intangible Fixed Assets:

- i) Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured.
- ii) Expenditure incurred on acquisition/development of intangible assets which are not put/ready to use at the reporting date is disclosed under intangible assets under development.

4) Depreciation:

Depreciation on Fixed Assets is charged on written down value basis in the manner and as per the rates and method provided in Schedule XIV of the Companies Act, 1956. Depreciation on Assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/deletions.

5) Inventory :

The Inventory is valued as under and as certified by the Management

- a) Raw Material and Consumables are valued at cost.
- b) Finished Goods are valued at Average selling price.
- c) Obsolete stock if any is valued at net realisable value.

6) Investments:

Investments are stated at cost.

7) Revenue Recognition :

Sale of Goods

Domestic Sales is recognized on dispatch to customers and is net of returns and rate difference if any. Export Sales is recognized on shipment of goods. Sales turnover includes basic sales value, but excludes excise duty other recoveries such as insurance, sales tax etc.

Other Income

Interest is recognized on Time Proportion Basis with reference to principal outstanding and rate of Interest applicable.

Dividend income is recognized when the shareholders right to receive payment has been established.

8) Employee Benefits:

The Company has not provided for the liability for gratuity of Rs. 3,89,423/- as required by the payment of Gratuity Act 1972, as the directors have waived off their claim. There is no provision made in the Balance Sheet for the same.

9) Foreign Currency Transactions:

- a) Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of the transactions.
- b) Monetary items denominated in foreign currencies at the year end are translated at the year end rates.

- c) Any income or expense on account of exchange difference either on settlement or on translation in the year is recognised in the Profit & Loss Account in the year in which it arises.

10) Borrowing Cost:

Interest and other related cost on acquiring qualifying assets are capitalised as per Accounting Standard AS -16. All other borrowing costs are recognized as expense in the period in which they are incurred.

11) Impairment of Assets :

At each Balance Sheet date, an assessment is made of whether it is indication of impairment. An impairment laws is recognized whenever the carrying amount of assets exceeds their recoverable amount.

12) Taxes on Income

Provision of income tax comprising current tax and deferred tax is made on the basis of the results of the Year. As per the Accounting Standard 22 – issued by ICAI, the net deferred tax assets amounting to Rs.14.56 lacs on account of timing differences as shown below after crediting Current Tax effect.

Deferred Tax Liability on account of depreciation	Rs. 3,725,073
Deferred Tax Asset on account of loss and other disallowances	Rs. 51,81,145
Net Deferred Tax Assets	Rs. 14,56,072

- 13) The Company has the policy of reviewing and passing proper adjustment entries for Income Tax paid, Provision for Income Tax made and excess / short tax provision for the year after receiving orders from the Appellate authorities. The Company also makes a fair estimate of the Income Tax liability every year and gives effects to it in the Books of Account.

14) Contingent Liabilities

Contingent liabilities are disclosed after a careful evaluation of the facts and legal aspects of the Matter Involved.

B) NOTES :

- 1) The Balances of Sundry Debtors, Creditors, Deposits and Loans & Advances are accepted as appearing in the Ledger Accounts & subject to confirmation from individual parties concerned, due adjustments, if any will be made thereon. Management is confident of receiving all the sums due. The provision for all known liabilities & for depreciation is adequate and not in excess of the amount reasonably necessary.

	2011-2012 (Rs.in Lacs)	2010-2011 (Rs.in Lacs)
2) Contingent Liabilities not provided for		
i) Income Tax Demand	154.00	182.00
ii) Bank Guarantee	726.00	369.00
3) Auditor's Remuneration includes: -		
Audit fees & Other Matters	5.57	3.00
4) Director Remuneration	9.00	9.00



	2011-2012 Value Rs.	2010-2011 Value Rs.
C. Opening Stock:-		
Fabrics	3,37,42,799	2,68,00,219
Garments	79,58,525	30,57,685
Note Book Dozen	62,43,049	1,18,27,302
Paper	39,49,558	69,79,481
TOTAL	5,18,93,931	4,86,64,687
	2011-2012 Value Rs.	2010-2011 Value Rs.
D. ** Closing Stock :- (taken, valued & certified by management)		
Fabrics	-	3,37,42,799
Garments	-	79,58,525
Note Book Dozen	47,31,941	62,43,049
Paper	3,29,594	39,49,558
Pet Bottles	69,56,949	-
Consumables	82,501	-
TOTAL	1,21,00,985	5,18,93,931
	2011-2012 Value Rs.	2010-2011 Value Rs.
E. Details of Turnover		
Turnover (mfg):-		
Garments	3,54,36,922	3,25,00,327
Note Book	1,65,37,638	2,83,03,366
Turnover (Trading):-		
Others (Garments)	24,61,579	5,76,202
Others (Note Book)	13,18,046	-
TOTAL	5,57,54,185	6,13,79,895
	2011-2012 Value Rs.	2010-2011 Value Rs.
F. Details of Raw Materials Consumed		
Fabrics	1,27,43,846	1,53,90,395
Other Garment Consumables	26,06,357	75,916
Paper	1,09,82,620	2,31,11,976
Other Book Consumables	2,00,246	-
TOTAL	2,65,33,069	3,85,78,287

Consumption is arrived after adjusting scrap.

G. Break up of Raw Materials, Stores and Spares consumed as Imported and Indigenous:-

	% Age	2011-2012 Value Rs.	% Age	2010-2011 Value Rs.
i) Imported	-	-	-	-
ii) Indigenous	100%	3,00,25,670	100%	3,87,90,959
	100%	3,00,25,670	100%	3,87,90,959

2011-2012 Rupees	2010-2011 Rupees
---------------------	---------------------

H. Earning and Expenditure in Foreign Exchange :-**Earning :-**

1. FOB Value of Exports (Including Diff. in Foreign Exchange)	28,07,979	43,49,905
Outgo :-	NIL	NIL

I. Advances Recoverable in Cash or in kind include amount due from Companies under the same management, of Rs. Nil (Previous Year Rs. Nil)

J. There are no Sundry debtor's dues from the Companies/firms under the same Management.

K. Earning per Share

	2011-2012	2010-2011
Net Profit / (Loss) as per profit and loss account	Rs. (57,03,704)	Rs. (70,39,854)
No. of equity shares outstanding (Nos)	15,50,000	57,40,000
Basic and diluted earnings per share	(0.49)	(1.23)

L. SEGMENT REPORTING

1) Information about Primary segment (by business segment)

a) Garments.

b) Note books.

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

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



3) Segment Revenue

	BUSINESS SEGMENT		(Rs. In Lacs)
	Garments	Note Book	Total
REVENUE			
NET SALES/INCOME	561.19	178.56	739.75
Total Segment Revenue			
Total Sales	561.19	178.56	739.75
Segment Results Before			
Interest, Tax & Unallocable Cost	(79.72)	(47.66)	(127.38)
Add: - Unallocable Income			181.85
Less: - Interest			13.84
Less: - Unallocable Cost			0.00
Profit before Tax			(141.21)
Taxes			0.00
Profit after Tax			(141.21)

	BUSINESS SEGMENT		(Rs. In Lacs)
	Plastics	Note Books	Total
OTHER INFORMATION			
Segment Assets	922.37	1065.45	1987.82
Segment Liabilities	84.01	60.90	144.91
Capital Expenditure	23.67	2.51	26.18
Depreciation	43.37	6.23	49.60
Non Cash Expenses Other than Depreciation	-	-	-

INFORMATION ABOUT SECONDARY BUSINESS SEGMENT

4) Information about secondary segment (by Geographical Segment)

	BUSINESS SEGMENT		Total
	Domestic	International	
Total Segment Revenue	561.19	178.56	739.75
REVENUE			
External Revenue	711.32	28.43	739.75
Segment Assets	1987.82	-	1987.82
Capital Expenditure	26.18	-	26.18

M. RELATED PARTY DISCLOSURE WHERE TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR.

Related Party and their Relationship

a) ASSOCIATES

1) Vilco Pharma Pvt. Ltd.

b) ENTERPRISE IN WHICH MANAGEMENT PERSONNEL AND RELATIVES HAVE SIGNIFICANT INFLUENCE

1) Kumar International

2) Mars International



c) **KEY MANAGEMENT PERSONNEL**

- 1) Kantilal L. Haria
- 2) Manish K. Haria
- 3) Jaysukh Maru

Transaction for year ended 31st March 2012 (Rs. In Lacs)

Particulars	Associates	Enterprise in which management personnel and relatives have significant influence	Key Management Personnel	Total
1) Interest Paid	NIL	NIL	NIL	NIL
2) Loan Received	NIL	150.00	NIL	150.00
3) Salary Paid	NIL	NIL	4.80	4.80
4) Rent Paid	12.00	NIL	NIL	12.00
5) Director Remuneration	NIL	NIL	9.00	9.00

Note: related parties relationship is as identified by the company and relied upon by the auditors.

- N. In the absence of declarations from Sundry Creditors / Suppliers with regard to their status as Small Scale Industrial undertaking wherever appropriate, it is not possible to determine the amount, payable to sundry creditors falling within the meaning of Small Scale Industrial undertaking.
- O. Disclosure under Micro, Small and Medium Enterprises development Act, 2006. The Company has not received any memorandum (as required to be filed by the suppliers with notified authority under the Micro, Small and Medium Enterprises development Act, 2006) claiming their status as micro, small and medium enterprises. Consequently the amount paid/payable to these parties during the period under review is NIL
- P. Sundry balances are written off amounting to net Rs. 0.41 Lacs as per the Resolution passed by the Board of Directors at their meeting held on 15th April 2012.
- Q. The Company has not made provision for doubtful debts amounting Rs. 40 lacs as the management is confident of realisation. The Company has filed cases against these for recovery of dues.
- R. Previous Year figures have been regrouped & reclassified/rearranged wherever necessary.

As per our Report of even date

For SUNDERJI GOSAR & COMPANY
Chartered Accountants
Firm Registration No. 115543W

(Partner - Alpesh Savla)
Membership No. 047828

Place: Mumbai
Date : 30/05/2012

For HARIA EXPORTS LTD

Kantilal L. Haria
Director

Place: Mumbai
Date : 30/05/2012

Manish K. Haria
Director

Place: Mumbai
Date : 30/05/2012



ATTENDANCE SLIP

HARIA EXPORTS LIMITED

REGD. OFF : HARIA CENTRE, 8, SUBHASH ROAD, VILE PARLE (E), MUMBAI - 400 057

PLEASE FILL IN ATTENDANCE SLIP & HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL, JOINT SHAREHOLDER MAY OBTAIN ADDITIONAL ATTENDANCE SLIP ON REQUEST.

NAME & ADDRESS OF THE SHAREHOLDERS OR PROXY

NO. OF SHARES HELD :		MASTER FOLIO NO.	
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I hereby record my presence at the 42nd Annual General Meeting of the Company to be held on Tuesday, 28th September, 2012 at 10.00 a.m. at 1st Floor, Vilco Centre, 8, Subhash Road, Vile Parle (E), Mumbai – 400 057.

SIGNATURE OF THE SHAREHOLDER OF PROXY :

Strike out whichever is not applicable.

-----TEAR HERE-----

PROXY FORM

HARIA EXPORTS LIMITED

REGD. OFF : HARIA CENTRE, 8, SUBHASH ROAD, VILE PARLE (E), MUMBAI - 400 057

MASTER FOLIO NO :

I/We _____
of _____ Being a member / members of HARIA EXPORTS LIMITED hereby
appoint _____ of _____ or failing him _____
of _____ or _____ of _____

As my/our proxy to vote for me/us and on my/our behalf at the 42nd Annual Meeting of the company to be held on Tuesday, 28th September, 2012 at 10.00 a.m. at 1st Floor, Vilco Centre, 8, Subhash Road, Vile Parle (E), Mumbai – 400 057. and at any adjournment thereof.

Signed this _____ day of _____ 2012 _____ Revenue _____
Stamp
Rs.

Note :

1. The Proxy Form should be signed across the stamp as per specimen registered with the company.
2. The Proxy Form must be returned so as to reach the Registered Office of the Company at Haria Centre, 8, Subhash Road, Vile Parle (East), Mumbai – 400 057 not less than 48 hours before the time for Holding the aforesaid meeting. The Proxy need not be a member of the Company.

BOOK - POST

If undelivered, please return to :

HARIA EXPORTS LIMITED

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

Tel. No.: 4097 3000