

HLCL/BSE/2018/

21st May, 2018

The Secretary

Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Fort, Mumbai 400001

E-mail: corp.relations@bseindia.com

Scrip Code: 524080

Dear Sir,

Sub: Outcome of the Board meeting dated May 21, 2018, commenced at 12:30 PM and concluded at 03:25 PM

• **Audited Financial Results**

Pursuant to Regulation 30 and 33 and any other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed the audited Standalone Financial Results of Haryana Leather Chemicals Limited ("the Company") for the quarter and year ended March 31, 2018, reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on May 21, 2018 and May 21, 2018 respectively.

Please also find enclosed the Auditors Reports submitted by M/s. AKR & Associates, Chartered Accountants, (FRN: 021179N), the Statutory Auditors of the Company.

II. Dividend

Pursuant to Regulation 30 and other applicable provisions of the Listing Regulations, please be informed that the Board of Directors has recommended a dividend of Rs. 0.80/- per equity share of the face value of Rs. 10/- each for the financial year ended March 31, 2018. The dividend as recommended by the



Board of Directors, if declared at the 33rd Annual General Meeting will be distributed to the Shareholders entitled to receive the same.

Kindly take the above on record.

Thanking you,

Yours faithfully,

for HARYANA LEATHER CHEMICALS LIMITED



SILU NANDA



Company Secretary.

Encl: as above

Audited Financial Results for the Quarter and year ended March 31st, 2018
HARYANA
LEATHER CHEMICALS LTD.

CIN : L74999HR1985PLC019905

(Rs. In thousands except per share amount)

PARTICULARS	3 MONTHS ENDED			YEAR ENDED	
	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
	Audited	Audited	Audited	Audited	Audited
I Revenue From Operations	95,047.40	87,525.00	1,10,696.12	3,63,942.79	4,24,385.12
II Other Income	3,502.77	1,936.00	4,250.71	10,813.77	10,421.71
Total Income (I+II)	98,550.17	89,461.00	1,14,946.83	3,74,756.56	4,34,806.83
III Expenses					
(a) Cost of materials consumed	68,575.35	63,055.00	70,348.69	2,46,465.35	2,55,213.69
(b) Changes in inventories of finished goods, work in progress and stock trade	-2,726.65	-1,318.00	-1,796.46	-2,129.65	-2,489.46
(c) Excise Duty Expense	0.00	0.00	9,321.20	8,242.39	33,843.20
(d) Employee benefits expense	7,468.28	8,896.00	8,520.37	34,016.28	33,236.37
(e) Finance Cost	319.17	237.00	260.51	1,176.17	834.51
(f) Depreciation and Amortisation expenses	2,119.74	2,000.00	2,080.20	8,719.74	10,480.20
(g) Other expenses	16,401.80	11,658.00	18,937.36	56,174.80	73,897.36
Total Expenses III (a to h)	92,157.68	84,528.00	1,07,671.87	3,52,665.07	4,05,015.87
IV Profit / (Loss) before exceptional items & tax (I+II-III)	6,392.49	4,933.00	7,274.96	22,091.49	29,790.96
V Exceptional Items	0.00	0.00	0.00	0.00	0.00
VI Profit / (Loss) before tax and after exceptional items (IV-V)	6,392.49	4,933.00	7,274.96	22,091.49	29,790.96
VII Tax expense					
(1) Current tax	862.70	15.00	1,686.21	4,862.70	9,186.21
(2) Tax for earlier years	157.66	0.00	112.05	157.66	112.05
(2) Deferred Tax	-207.63	0.00	872.87	-207.63	872.87
VIII Profit / (Loss) for the period after Tax (VI-VII)	5,579.76	4,918.00	4,603.83	17,278.76	19,619.83
IX Other Comprehensive Income (Net of tax)	0.00	0.00	0.00	0.00	0.00
X Total Comprehensive Income for the period (VIII+IX) (Comprising Profit/(Loss) and Other Comprehensive Income for the period	5,579.76	4,918.00	4,603.83	17,278.76	19,619.83
XI Paid-up Equity Share Capital (Face Value of Shares Rs.10 each)	49,084.47	49,084.47	49,084.47	49,084.47	49,084.47
XII Earnings per equity share in Rs.					
(1) Basic	1.14	1.00	0.94	3.52	4.00
(2) Diluted	1.14	1.00	0.94	3.52	4.00

The Government of India has implemented Goods and Service Tax ("GST") from 1st July 2017 replacing excise duty, service tax and other indirect taxes. As per Ind AS 18, the revenue for the quarter & year ended March 31st, 2018 is reported net of GST. Had the previously reported revenue shown net of excise duty, comparative revenue the company would be as follows:

Particulars	Quarter Ended			Year Ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
Revenue from operations	95,047.40	87,525.00	1,01,374.92	3,55,700.40	3,90,541.92

Notes

- The unaudited results for the quarter and year ended March 31, 2018 have been reviewed by Audit Committee and approved by the Board of Directors in their meeting held on 21st May, 2018..
- The statutory Auditors have carried out a Limited Review of the accounts for quarter and year ended on March 31, 2018.
- The above results pertain to the Leather Finishing Chemicals manufacturing segment which is the only business segment of the Company in terms of IND AS 108 on "Operating Segment".
- The Company has adopted Indian Accounting Standards Ind AS from April 01, 2017, accordingly financial results for the quarter and year ended March 31, 2018, have been prepared in accordance with the recognition and measurement principles laid down in the said standards.
- These Financial Results have been prepared in accordance with the Indian accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013 read with the rules thereunder and in terms of SEBI circular no. CIR/CFD/FAC/62/2016 dated 5th July, 2016. Consequently, the figures for the quarter and year ended March 31, 2017 have been restated to make them comparable, the same has not been subjected to limited review by the statutory auditors of the company. However, the management has exercised necessary due diligence and ensured that the financial results provide a true and fair view of its affairs.
- The statement includes the results for the Quarter ended 31st March, 2018 and 31st March, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
- The figures for the corresponding previous periods have been restated/regrouped, wherever necessary, to make them comparable.
- Reconciliation of the net profit reported in accordance with Indian GAAP for year ended as at 31st March, 2017 to total comprehensive income in accordance with Ind AS is given below:

Description

Net profit as per Indian GAAP

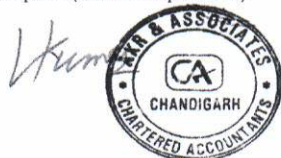
Rs in Lacs
19,619.83
Other Comprehensive Income

Total Comprehensive Income for the period (Net Profit as per Ind AS)

19,619.83

Place: Gurugram

Date: 21.05.2018


 For Haryana Leather Chemicals Limited

 Pankaj Jain
 Managing Director


HARYANA LEATHER CHEMICALS LIMITED

CIN: L74999HR1985PLC019905

Regd. Office : 72-77, HSIIDC Industrial Estate, Hansi Road, Jind - 126 102(Hr.)

Tel: +91-01681-226645, Fax:+91-01681-225101 E-mail: info@leatherchem.com; Website: www.leatherchem.com

STATEMENT OF ASSETS AND LIABILITIES

(Rupees in Thousands)

	Notes	As at 31 March, 2018	As at 31 March, 2017	As at 01 April, 2016
ASSETS				
A. Non-Current Assets				
(a) Property, plant and equipment	4 (i)(a)	1,45,309.68	1,44,809.40	1,48,727.30
(b) Capital work-in-progress	4 (i)(b)	132.09	2,204.06	936.75
(c) Financial assets		-	-	-
(d) Deferred tax assets (Net)		-	-	-
(e) Other non-current assets	4 (ii)	12,167.88	12,302.88	12,403.52
Total Non-Current Assets (A)		1,57,609.65	1,59,316.34	1,62,067.57
B. Current Assets				
(a) Inventories	4 (iii)	42,577.80	35,362.71	37,453.30
(b) Financial assets				
(i) Trade receivables	4 (iv)	95,312.35	87,661.92	79,088.60
(ii) Cash and cash equivalents	4 (v)	81,703.36	82,524.52	53,744.59
(iii) Other financial assets	4 (vi)	5,582.75	633.91	617.39
(c) Other current assets	4 (ii)	4,753.95	6,814.25	6,905.72
Total Current Assets (B)		2,29,930.20	2,12,997.31	1,77,809.60
Total Assets (A+B)		3,87,539.85	3,72,313.65	3,39,877.17
EQUITY AND LIABILITIES				
A. Equity				
(a) Equity share capital	4 (vii)	49,084.70	49,084.70	49,084.70
(b) Other equity	4 (viii)	2,45,647.91	2,33,095.33	2,18,201.67
Total Equity (A)		2,94,732.61	2,82,180.03	2,67,286.37
B. Liabilities				
I Non-Current Liabilities				
(a) Financial Liabilities		-	-	-
(b) Deferred Tax Liabilities (Net)	4 (ix)	8,663.18	8,870.81	7,997.94
(c) Provisions	4 (x)	419.23	485.99	479.48
Total Non-Current Liabilities (I)		9,082.41	9,356.80	8,477.42
II Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	4 (xi)	524.07	1,583.00	2,296.69
(ii) Trade payables	4 (xii)	72,727.97	64,047.64	46,249.73
(b) Provisions	4 (x)	963.69	3,830.04	4,209.67
(d) Other current liabilities	4 (xiii)	9,509.10	11,316.14	11,357.29
Total Current Liabilities (II)		83,724.83	80,776.82	64,113.38
Total Liabilities (I+II)		92,807.24	90,133.62	72,590.80
Total Equity And Liabilities (A+B)		3,87,539.85	3,72,313.65	3,39,877.17

In terms of our report attached.

FOR AKR & ASSOCIATES

Chartered Accountants
ICAI FRN: 021179N



CA. KAILASH KUMAR

Partner
ICAI MRN: 505972

Place : Gurugram
Date : 21.05.2018

FOR HARYANA LEATHER CHEMICALS LIMITED


PANKAJ JAIN
Managing Director-cum-Vice Chairman





INDEPENDENT AUDITOR'S REPORT

To the Members of
HARYANA LEATHER CHEMICALS LIMITED

Report on the Audit of Financial Statements

1. We have audited the accompanying financial statements of **HARYANA LEATHER CHEMICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March 2018**, the Statement of Profit and Loss, the Statement of Cash Flow for the year then ended, and notes to the financial statement, including a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March 2018**, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the financial statements dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received from the directors as on **31st March 2018** and taken on record by the Board of Directors, none of the directors is disqualified as on **31st March 2018** 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**;



- 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 does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

Place: Gurugram
Date: May 21st, 2018

For AKR & Associates
Chartered Accountants
ICAI FRN: 021179N

Kumar

CA Kailash Kumar
(Partner)

Mem. No.: 505972





Annexure A to the Independent Auditor's Report of even date to the members of **HARYANA LEATHER CHEMICALS LIMITED**, on the financial statements for the year ended **31st March 2018**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the said Order are not applicable to the company.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company.



- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, , service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government or debenture holders.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer /debt instruments and term loans. Hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud / material fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii)of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.



- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-1A of the Reserve Bank of India Act, 1934 are not applicable to the Company.

Place: Gurugram
Date: May 21st, 2018

For AKR & Associates
Chartered Accountants
ICAI FRN: 021979N

Kumar



CA Kailash Kumar
(Partner)

Mem. No.: 505972



Annexure B to the Independent Auditor's Report of even date on the financial statements of **HARYANA LEATHER CHEMICALS LIMITED**, for the year ended **31st March 2018**

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

To the Members of **HARYANA LEATHER CHEMICALS LIMITED**

We have audited the internal financial controls over financial reporting of **HARYANA LEATHER CHEMICALS LIMITED** ("the Company") as of March 31st, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the 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. 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 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 information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified 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 internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2018, 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.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of HARYANA LEATHER CHEMICALS LIMITED, which comprise the Balance Sheet as at March 31st, 2018, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated 21nd May 2018 expressed an unqualified opinion.

Place: Gurugram
Date: May 21st, 2018

For AKR & Associates
Chartered Accountants
ICAI FRN: 21179N

Kumar

CA Kailash Kumar
(Partner)

Mem. No.: 505972





CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of

HARYANA LEATHER CHEMICALS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Haryana Leather Chemicals Limited ("the Company"), for the year ended on 31st March, 2018, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange(s)
 - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s).
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations)
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2), and para C, D and E of Schedule V of the Listing Regulations.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations, during the year ended March 31st, 2018.



5. We 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: Gurugram
Date: May 21st, 2018

For AKR & Associates
Chartered Accountants
ICAI FRN: 021179N




CA Kailash Kumar
(Partner)

Mem. No.: 505972