



HARIA EXPORTS LIMITED

39th ANNUAL REPORT
2008 - 09



BOARD OF DIRECTORS	Mr.Kantilal L. Haria Mr.Manish K. Haira Mr.Kanitlal L. Maru Mr.Lalit J. Kothari Mr. O.S. Agarwal	Chairman & Managing Director Director 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	1) Registered Office	2) 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	<p>1) Vapi: Unit No. 1 345/358,G.I.D.C. Silvassa Road,Vapi Gujarat</p> <p>2) Kandla : Unit No.50 Kandla Special Economic Zone, Gandhidham, Kutch 370 230.</p> <p>3) Bhiwandi : Perna Complex,A-5, Gala No.5-8 AnjurPhata,Dapoda Road, Bhiwandi,Dist.Thane-421302</p>	<p>Unit No. 2 279,G.I.D.C. Silvassa Road,Vapi Gujarat</p>

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**NOTICE**

NOTICE is hereby given that **Thirty Ninth** Annual General Meeting of the members of **HARIA EXPORTS LIMITED** will be held on, **13th August, 2009** at 9.00 a.m. at Gomantak Seva Sangh, Utkarsh Mandal Chowk, Malvia Marg, Vile Parle (E), Mumbai – 57. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Balance Sheet as at 31st March, 2009 and the Profit & Loss Accounts 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. Manish K Haria who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. O S Agarwal who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and authorise the board to fix their remuneration.

SPECIAL BUSINESS:

1. **To consider and, if thought fit, to pass the following Resolution, with or without modification, as a Special Resolution:-**

RESOLVED THAT subject to the provisions of Section 81(1) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment to or reenactment thereof) and in accordance with the provisions of the Memorandum and Articles 8 of the Articles of Association of the Company and applicable regulations and guidelines of the Securities and Exchange Board of India (“SEBI”), and subject to such approvals, consents, permissions and sanctions as may be necessary from SEBI, the Stock Exchanges, the Reserve Bank of India and all other appropriate statutory, governmental and other authorities and departments (hereinafter referred to as “the Authority”) in this regard and subject to such conditions and modifications as may be prescribed by the Authority while granting such approvals, sanctions, consents and permissions, the Board of Directors of the Company (hereinafter called, “the Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this Resolution), be and are hereby authorized to issue to individuals, companies, banks, financial institutions, employees, QIB’s, NRI’s, FII’s and other persons, whether resident in India or otherwise and whether they are members or promoters of the Company, as may be decided by the Board of Directors in consultation with its Merchant Bankers such that the aggregate numbers of Equity Shares shall not exceed **86,10,000 (Eighty Six Lacs Ten Thousand)** Equity Shares of Rs. 10 each for cash at par on rights basis to the existing Equity shareholders of the Company in the ratio of 3 : 2 held as on record date aggregating to **Rs. 8,61,00,000 (Rupees Eight Crores Sixty one Lacs Only)**.

RESOLVED FURTHER THAT fractions entitlement(s), if any, will be rounded off to the next higher integer. The additional entitlement shall be made available out of the entitlement of one of the promoters. The adjustment will be made in the composite application form so as to ensure that the allotment is made within the issue size.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized in its discretion to accept such conditions and modifications as may be prescribed by any authority while according consent or sanction to the proposed right issue of the said Equity shares and take such consequential action thereon, including the authority to revise the quantum of Equity Shares

RESOLVED FURTHER THAT the board of directors of the company be and is hereby authorised to disposed off the unsubscribed portion, if any, out of the rights issue to any person(s) including promoter group at such time and such manner by the board of directors in their absolute discretion as they may deem fit and proper

RESOLVED FURTHER THAT the new Equity Shares arising out of this issue shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the existing Equity Shares of the Company save and except that the said new Equity Shares shall be entitled to such dividend as may be declared at any time during the financial year 2009 – 10 after allotment thereof on the amount paid up thereon on prorata basis.



RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of the Equity Shares and the utilisation of the issue proceeds as it may deem fit and to give such directions and / or instructions as it may from time to time decide and to accept and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions, appoint lead managers, banks or other authorities or agencies concerned or as the Board may *suo moto* decide in its absolute discretion in the best interests of the Company without being required to seek any further consent or approval of the Members and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution and to do all such acts, deeds, matters to do things whatsoever, including settle any question, doubt or difficulty that may arise with regard to or in relation to raising of resources as authorized herein, and that all or any of the powers conferred on the Board vide this resolution may exercised by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate to a Committee of Directors or any Director all or any of its powers or authorities or discretion vested in it in terms of this resolution as permitted in Law.

By Order of the Board

(KANTILAL L. HARIA)
Chairman & Managing Director

Date : 30th June, 2009

Place: Mumbai

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 ADMINISTRATIVE OFFICE.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 7th August, 2009 to 13th August, 2009 (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.
5. 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

(KANTILAL L. HARIA)
Chairman & Managing Director

Date : 30th June, 2009

Place: Mumbai

**EXPLANATORY STATEMENT pursuant to Section 173(2) of the Companies Act ,1956****Item No. 1:**

- a. **Object of the issue of Rights shares:** The Company proposes to make investments in the new line of activities viz Note Book manufacturing and balancing equipment in the Hosiery manufacturing facilities. This will involve an estimated capital outlay of upto Rs.2.60 Crores. Further Company intends to repay the bridge loan and unsecured loan to further strengthen the Company's financial position, as also to meet the working capital requirements of the Company, It is proposed to issue equity shares, on a record date to be fixed by the Board of Directors in consultation with the Merchant Bankers, to the holders of the existing equity shares of Rs. 10 each for cash at par as referred to in the resolution set out at item No. 1 of the accompanying Notice.
- b. These programs which are expected to greatly strengthen the financial base of the Company and are economically justifiable would require financing from sources other than the Company's own accruals which have already been committed to finance the Company's existing expansion programs.
- c. The Directors have, therefore, decided to recommend the issue of rights shares, the proceeds of which will be applied largely to financing the programs as aforesaid. The Directors also believe that the proposed rights issue will strengthen the equity base of the Company for its growing activities.
- d. The Directors have, therefore, proposed to offer further equity shares to the holders of the existing equity shares. The proceeds of this rights issue are expected to amount to Rs.861 Lacs
- e. The Directors have further proposed that whole amount of the issue price of Rs.10/- shall be payable at the time of the acceptance of the offer.
- f. The rights issue will be offered to the holders of the existing equity shares whose names appear on the Register of the Company, on such date as the Directors may hereafter fix, in proportion of three further equity share for every Two existing equity shares of Rs. 10 each with the right to renounce the further equity shares, in whole or in part, in favour of any other person, the same may be or may be not a Member of the company. The Shareholders who accept the offer in full will also be given the right to apply for additional shares.
- g. The said 86,10,000 Equity Shares shall rank *pari passu* in all respects (including voting rights) with the existing equity shares except that the said new Equity Shares shall be entitled to such dividend as may be declared at any time during the financial year 2009-10 after allotment thereof on the amount paid up thereon on pro-rata basis.
- h. **Right of Renunciation:**
 - I. The shareholders will have the right to renounce the Equity Shares in favour of their nominee(s) subject to the authority of the Board to reject any such nominee(s) at their discretion. Such renounee may also apply for additional Equity Shares.
 - II. The Offer shall be made with an option to the Shareholders to apply for additional Equity Shares provided that a shareholder who has renounced his right in whole or in part shall not be entitled to apply for additional shares. However, the Board of Directors will have the sole discretion to accept or reject any such application for the allotment of additional shares.
- i.
 - I. The unsubscribed portion, if any, out of the rights issue will be disposed off to any person(s) at such time and such manner by the Board of Directors in their absolute discretion as they may deem fit and proper.
 - II. Promoter Group mainly through Vilco Pharma Private Limited (a promoter group company controlled, owned and managed by the promoters as per the definition of Securities and Exchange Board of India Disclosure & Investor Protection Guideline 2000) have committed to subscribe the unsubscribed portion of the issue if any by converting their unsecured loan.



- j The shareholders are requested to authorize the Board of Directors to deal with any matter that may arise in connection with the issue of the said Equity Shares.
- k The Memorandum and Articles of Association of the Company are available for inspection of any Member of the Company at the Registered Office of the Company between the hours of 11 AM and 5.30 PM on any working day (*i.e.*, excluding Saturdays, Sundays, Public Holidays or any other day on which the office of the Company remains closed).
- l The Directors of the Company who are also the Shareholders of the Company are concerned or interested in the Resolution to the extent to which they will have the right to subscribe to the further Equity Shares in proportion to their shareholding on such date as the Directors may fix.
- m Your Directors commends the Resolution at Item No. 2 of the Notice for approval by the Members as Special Resolution.

By Order of the Board

(KANTILAL L. HARIA)
Chairman & Managing Director

Date : 30th June, 2009
Place: Mumbai



DIRECTORS' REPORT

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

Your Directors have pleasure in presenting their 39th Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2009.

FINANCIAL RESULTS :

The Financial Results of the Company for the year ended 31st March, 2009 are summarized as under:

Year Ended
(Rupees in Laacs)

Particulars	31 st March, 2009	31 st March, 2008
Sales and other Income	247.07	390.25
Increase/(Decrease) in stock Less:	80.91	(17.90)
Expenditure	<u>254.48</u>	<u>295.62</u>
Profit Before Depreciation	73.49	76.73
Less: Depreciation	<u>68.58</u>	<u>75.38</u>
Profit Before Tax	4.91	1.35
Less: Provision for Tax	0.51	<u>0.14</u>
Profit After Tax	4.40	1.21
Less: Prior period Expenses	0.75	0.28
Add: Deferred Tax	<u>3.13</u>	<u>(15.30)</u>
Net Profit	6.78	(14.37)
Add: Balance Brought Forward	<u>200.09</u>	<u>214.89</u>
Balance Available for Appropriation	<u>206.87</u>	<u>200.09</u>
Less: Proposed Dividend for the year	NIL	NIL
Less: Transfer to General Reserve	NIL	NIL
Balance Transferred to Balance Sheet	206.87	200.09

1. DIVIDEND :

The Directors do not recommend any Dividend for the year 2008-2009.

2. FURTHER ISSUE OF SHARES :

In order to fund the expansion programme of the Company, if required the Company proposes to issue Convertible Warrants to Company's Promoters or Person Acting in Concerts subject to compliance of SEBI DIP Guidelines and the standard Listing requirement of the Stock Exchanges where the Company's script is listed.

3. MANAGEMENT ANALYSIS :

3.1 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 trade 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 precondition 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 reimposed 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.

3.2. Manufacturing of Note Books:

The company has entered into new line of activity viz 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.

3.3. 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 not yet exploited. India already enjoys a significant competitive advantage in terms of labour cost per hour over developed countries like USA, EU, Hong Kong, Taiwan Singapore etc. India is rich in traditional workers adept at value adding tasks such as embroidery, minor work, 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 take 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 cost little more.

3.4. 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.

3.5. 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.



3.6. Financial Analysis :

BALANCE SHEET

(RUPEES IN LACS)

	31/03/2009	31/03/2008
1. Share Capital	574	574
2. Reserve & Surplus	1304	1297
3. Loans (Secured)	27	—
4. Unsecured Loans	1299	1062
5. Provision for Taxation	0.51	0.14
6. Net Fixed Assets	523	547
7. Net Current Assets	2680	2385

3.7. 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.

4. 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.

5. DIRECTORS :

In accordance with the Articles of Association, Mr. Manish K. Haria and Mr. O.S. Agarwal. retire by rotation and being eligible, offer themselves for reappointment.

6. DIRECTORS' RESPONSIBILITY STATEMENT :

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

- (1) That in preparation of the Annual Accounts for the year ended 31st March, 2009, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any. However certain expenses including commission, quota sale and purchase are accounted on cash basis and not on accrual basis.
- (2) That such Accounting Policies as mentioned in Schedule 20 of the Annual Accounts has been selected and applied consistently and judgements 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, 2009 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, 2009 have been prepared on a going concern basis.

7. 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 complied by the Company in the financial year 2008 - 2009. The Certificate of M/s. Sunderji Gosar & Co. the Statutory Auditors of the Company regarding Compliance of the Corporate Governance Code is annexed here with. 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.

**8. 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"

9. 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.

10. 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 reappointment. The Members are requested to reappoint the Auditors and to fix their remuneration.

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

As regards Auditors remark in note no."Q" of notes to Account is self explanatory needs 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

(KANTILAL L. HARIA)
Chairman & Managing Director

Date : 30th June, 2009

Place : Mumbai



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 2008 - 09	Previous Year 2007 - 08
1. Electricity		
a) Purchased		
Units (000 KWH)	12845	69216
Total Amount (Rs.)	62172	112805
Rate per Unit (Rs.)	4.84	1.63
B. CONSUMPTION PER UNIT OF PRODUCTION		
PRODUCT	Current Year 2008 - 09	Previous Year 2007 - 08
1. Garments Pieces		
a) 1) Production (Pieces)	58650	1056
2) Note Books (Dozens)	26771	-
b) Power (Units KWH)	12845	69216
c) Consumption per unit (KWH)	0.15	0.01

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.

FOREIGN EXCHANGE EARNINGS & OUTGO :

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

On Behalf of the Board of Directors.

Date: 30th June, 2009.
Place: Mumbai.

(KANTILAL L. 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 the 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 utilisation 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 31/03/2009 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, Director	Promoter & Non Executive Director	1	1
Mr. Kantilal L. Maru	Non Executive & Independent Director	1	1
Mr. Lalit J. Kothari	Non Executive & Independent Director	1	1
Mr. O. S. Agarwal	Non Executive & Independent Director	1	1

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

The Board of Directors consists of 5 (Five) Directors, Chairman and Managing Director, 4 Non Executive Directors out of which 3 are 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, aged 39 years, 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 travelled 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. Kantilal L. Maru

Mr. Kantilal L. Maru is the Senior Most Executive handling shipping Department of the Company for a long period. The Company is going to gain immensely by his experience. In view of the valuable contribution received by the Company from the experience of Shri. Kantilal L. Maru, it will be in the interest of the Company to continue/appoint him as a Director of the Company. He is a member of the Audit Committee of the Board.

(D) Mr. Lalit J. Kothari :

Mr. Lalit J. Kothari is a Senior most General Manager since 1974 with Haria Group of Companies and also Incharge of Factory at Vapi looking after Production, HRD, Finance & Liasion with Government Authorities and also visited to Nepal, European Countries for Development of Group Business. In view of the valuable contribution received by the Company from the experience of Mr. Lalit J. Kothari, it will be in the interest of the Company to continue / appoint him as a Director of the Company. He is a member of the Audit Committee of the Board.

(E) Mr. O. S. Agarwal:

Mr. O. S. Agarwal is a Senior 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 the experience of Mr.O. S. Agarwal, it will be in the interest of the Company to continue as a Director of the Company.

Details of Attendance of the Directors at the Board Meetings held during the year 2008 -2009 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	9	9	YES
Mr. Manish K. Haria	9	9	YES
Mr.Kantilal L. Maru	9	9	YES
Mr. Lalit J. Kothari	9	9	YES
Mr. O. S. Agarwal	9	9	YES

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 2008 – 2009.

Sr. No.	Dates of Board Meeting
1	07.04.08
2	11.04.08
3	30.06.08
4	31.07.08
5	06.10.08
6	31.10.08
7	31.01.09
8	06.03.09
9	25.03.09



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 :

The Audit Committee, consisting of 3 Independent Non Executive Directors. The Members consists of Mr. O. S. Agarwal, Chairman (Practising Chartered Accountant) and other Members Mr. Kantilal L. Maru and Mr. Lalit J. Kothari The Committee invites Senior Executives of Haria Exports Limited as it considers appropriate for attending the meetings of the Audit Committee.

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, 2009.

Sr. No.	Date of Meetings	Number of Members	Attendance
1	27.06.08	3	3
2	28.07.08	3	3
3	28.10.08	3	3
4	28.01.09	3	3

The Audit Committee makes recommendations to the Board within the delegated authority. The terms of reference of the Audit Committee are in accordance with compliance of the Provisions of Listing Agreements on Corporate Governance entered into with the relevant Stock Exchanges and the Companies Act, 1956 as amended from time to time and include :

- * Effective supervision of financial reporting processes.
- * Ensuring completeness of coverage, accurate, timely and proper disclosure of financial reporting
- * Reviewing annual, half yearly and quarterly financial results before the Board.
- * Reviewing of tax audit, transfer pricing and cost audit reports.
- * Reviewing of internal audit and control matters, actions arising out of reports.
- * Holding discussions with the statutory auditors on the nature and scope of audits.
- * Recommending the appointment of statutory auditors and their fees.
- * Reviewing of Foreign Exchange exposures.
- * Reviewing related party transactions.

4. REMUNERATION COMMITTEE :

The Company has not constituted a Remuneration Committee. The Board may as and when it consider expedient, constitute a Remuneration Committee. The Company has no pecuniary relationship or transaction with its Non Executive Directors.

The remuneration structure of the Chairman & Managing Director, Mr. Kantilal L. Haria is based on performance and defined criteria. The Agreement are entered into with the Chairman & Managing Director and the Joint Managing Director for a period of 5 years. In view of this, the Board has not felt the need for a separate Remuneration Committee. The Board will review this decision based on future developments. However, the Chairman & Managing Director, Mr. Kantilal L. Haria have decided not to take any remuneration and perquisites and benefits till the Company's financial position improves.

Details of sitting fees paid during the year.

The Directors of the company have unanimously decided to waive the entire sitting fees in the current financial year.

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. Lalit J. Kothari - Member of the Committee
- Mr. Kantilal L. Maru - Member of the Committee

During the year, the Company received 12 cases of grievances and all the said 12 cases of grievances were resolved to the satisfaction of the shareholders.

Number of pending share transfers as on March, 31, 2009 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 Sixth	2005-2006	30.09.2006	9.00 a.m.	Gomantak Seva Sangh, Utkarsh Mandal Chowk, Malvia Marg, Vile Parle (E), Mumbai – 57.
Thirty Seventh	2006-2007	28.09.2007	11.00 a.m.	Gomantak Seva Sangh, Utkarsh Mandal Chowk, Malvia Marg, Vile Parle (E), Mumbai – 57.
Thirty Eighth	2007-2008	29.09.2008	9.00 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 2008 - 2009 is annexed to this Report.

For and on Behalf of the Board

(Kantilal L. Haria)
Chairman & Managing Director

Dated : 30th June, 2009.
Place : Mumbai.



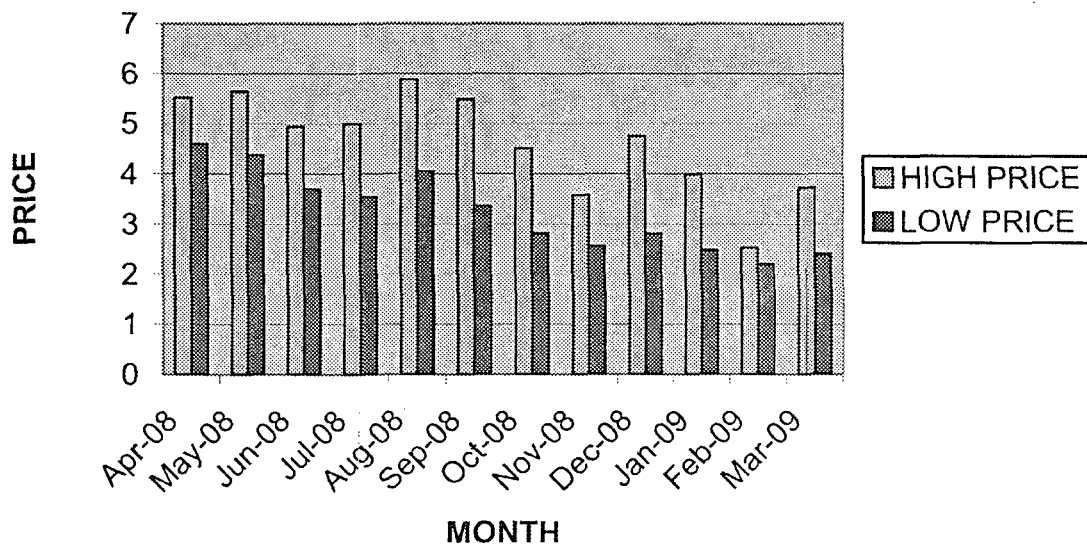
INFORMATION FOR INVESTORS

- 1) **39th Annual General Meeting :**
 Date : 13.08.2009
 Time : 9.00 a.m
 Venue : Gomantak Seva Sangh, Utkarsh Mandal Chowk,
 Malvia Marg, Vile Parle (E),
 Mumbai – 400057.
- 2) **Financial Calendar (Financial Year 2008-2009) :**
 Unaudited Results for quarter ending June 30, 2008 : Last week of July, 2008
 Unaudited Results for quarter ending Sept, 30, 2008 : Last week of October, 2008
 Unaudited Results for quarter ending Dec.31, 2008 : Last week of January, 2009
 Audited Results for the year ending March 31, 2009 : Last week of June, 2009
- 3) **Book Closure Date :**
 Physical : 7th August, 2009 to 13th August, 2009 (both days inclusive)
- 4) **Listing on stock Exchanges :** Bombay, Delhi, Ahmedabad
- 5) **Stock Code :**
 Mumbai : 512604
 Delhi : File No.7559
 Ahmedabad : 23441
 Depositories : NSDL / CDSL
 ISIN - INE772B01014

6) **Market Price, Date, High / Low during each month of the F.Y. 2008 – 2009**

Month	Date	High Price	Date	Low Price
April, 2008	04/04/2008	5.51	08/04/2008	4.60
May, 2008	20/05/2008	5.65	28/05/2008	4.37
June, 2008	02/06/2008	4.95	24/06/2008	3.71
July, 2008	25/07/2008	5.00	02/07/2008	3.55
Aug, 2008	05/08/2008	5.88	01/08/2008	4.06
Sept. 2008	09/09/2008	5.49	30/09/2008	3.37
Oct. 2008	06/10/2008	4.51	27/10/2008	2.82
Nov. 2008	24/11/2008	3.59	24/11/2008	2.56
Dec. 2008	10/12/2008	4.75	01/12/2008	2.81
Jan. 2009	01/01/2009	4.00	27/01/2009	2.48
Feb. 2009	27/02/2009	2.53	17/02/2009	2.21
Mar. 2009	17/03/2009	3.74	02/03/2009	2.41

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 transfer 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, 2009 :

Distribution of Shareholding of Equity Shares	No. of Shareholders	% of Shares held	Total No. of Shares held	Percentage
1 - 500	6518	78.7293	1204913	20.9915
501 - 1000	955	11.5352	791899	13.7961
1001 - 2000	439	5.3026	679998	11.8467
2001 - 3000	140	1.6910	363684	6.3360
3001 - 4000	60	0.7247	216385	3.7698
4001 - 5000	57	0.6885	270595	4.7142
5001 - 10,000	57	0.6885	421836	7.3491
10,001 - Above	53	0.6402	1790690	31.1967
TOTAL	8279	100.00	5740000	100.00

Promoter's Holding	No. of shares	percentage of shareholding
Indian Promoters:	631111	10.99
Foreign Promoters	56140	0.98
Persons Acting in Concert	-	-
Sub Total	687251	11.9730
Non Promoters Holding		
Institutional Investors		
Mutual Funds and UTI	840	0.0146
Banking, Financial Institutions/ Insurance Companies (Central / State Govt. Inst. Non Govt. Inst.)	140	0.0024
Sub Total	980	0.0170
Others		
Private Corporate Bodies	362051	6.31
Indian Public	4588519	79.94
NRI/OCBs	31532	0.55
Any Other Clearing Member	69667	1.21
Sub Total	5051769	88.0100
Grand Total	5740000	100.00


CATEGORIES OF SHAREHOLDERS AS ON MARCH 31, 2009

79.94 %	- Indian Public
11.97 %	- Promoters holding
6.31 %	- Bodies Corporate
0.55 %	- NRI / OCBS
0.02 %	- Mutual Fund / Financial Institutions / Banks
1.21%	- 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 95.59% of the Equity Shares have been dematerialised as on March 31, 2009.

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	Unit No.2 279,G.I.D.C. Silvassa Road,Vapi Gujarat.
KANDLA	- Plot No. 50 Kandla Special Trade Zone Gandhidham, Kutch - 370230	
BHIWANDI	- Prema Complex,A-5, Gala No.5-8 AnjurPhata, Dapoda Road, Bhiwandi, Dist.Thane-421302	

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 reappointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges).

NAME OF DIRECTOR	MR. MANISH K HARIA	MR. O SAGARWAL
Date of Birth	01/12/1969	28/08/1945
Date of Appointment	30/12/1980	29/01/2002
Experience in specific functional area	Incharge of Finance, Administration and Exports	Head of Audit Committee
Qualification	B.Com	F.C. A
Other Directorship	One	NIL
Chairman /Member of the Committee	One	One
Shareholding in HEL including beneficial holding	0.90 %	NIL

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 : 30th June 2009

**AUDITORS CERTIFICATE REGARDING COMPLIANCE OF CORPORATE GOVERNANCE**

To,
The Board of Directors,
HARIA EXPORTS LIMITED
8, Subhash Road,
Vile Parle (East),
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 2009, 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 examinations 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 SUNDERJI GOSAR & CO.
CHARTERED ACCOUNTANTS**

**Place : Mumbai
Date : 30th June, 2009**

**ALPESH K. SAVLA
PARTNER
M. No. 47828**

**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, 2009, the Profit and Loss Account 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 sub-section (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. 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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (IV) In our opinion, the Balance Sheet, Profit and Loss Account 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, 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 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, since the requirements under section 441A of The Companies Act, 1956 are not notified as on 31st March, 2009, reporting on whether the cess payable under section 441A has been paid or not, is not relevant for the Company, and
 - (VII) 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. Q read in conjunction with Schedules 1 to 20 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, 2009;
 - b) in the case of the Profit and Loss Account, of the profit 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

ALPESH K. SAVLA
PARTNER
M. No. 47828

Place: Mumbai.

Date : 30th June 2009.



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 Fixed Assets Register showing full particulars, including quantitative details and situation of Fixed Assets is maintained.
 - b. All the assets have not been physically verified by the Management during the year, but there is a regular 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.
 - c. During the year, the Company has not disposed off any of the Plant & Machinery and hence has not affected the going concern status of the company.
- II.
 - a. 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 ten parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was 1299.59 Lacs and the year end balance of loans taken from such parties was 1299.59 Lacs. The Company has not granted any loans to parties covered in the Register maintained under 301 of the Companies Act, 1956.
 - b. There are no terms and conditions fixed on which loans have been taken from parties listed in the register maintained under section 301 of the Companies Act, 1956, to that extent they are detrimental to the interests of the Company.
 - c. Hence whether the company is regular in repaying the principle amount could not be reported hereunder. As the loan taken are interest free, clause for regular payment of interest does not apply.
 - d. In the absence of any terms and conditions 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. The Company is in the process of rectifying the weakness in the 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 have been entered.
 - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements which are being entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- VI. In our opinion and according to the information and explanations given to us, the Company is in the process of complying with the 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. Further, during the course of our audit we have neither come across nor have we been informed of any order passed under the aforesaid sections by the Company Law Board.
- 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. The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for the Company.



- IX. a. 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, 2009.
- 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 other than disputed income tax as indicated below:

Sr. No.	Name of the Statute	Nature of dues	Forum where dispute is pending	AmountRs. (in Lacs)
1	Income Tax Act, 1961	Income Tax F.Y. 1998-99, 1999-2000, 2000-2001.	The Hon'ble High Court ,Mumbai	373.60

- X. The Company does not have accumulated losses at the end of Financial Year. The company has not incurred cash loss during the financial year covered by our report and in the immediately preceding Financial Year.
- XI. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- 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 not given guarantees for loans taken by subsidiaries, joint venture Companies from banks or financial institutions.
- XVI. According to the information and explanations given to us, term loan have been raised by the Company during the year, and have been utilised for the purpose availed.
- 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 raised any money by issue of shares during the year. 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 SUNDERJI GOSAR & CO.
Chartered Accountants

ALPESH K. SAVLA
PARTNER
M. No. 47828

Place: Mumbai
Date : 30th June 2009



BALANCE SHEET AS AT MARCH 31, 2009

	SCHEDULE	AS AT 31/03/2009 RUPEES	AS AT 31/03/2008 RUPEES
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS :			
Share Capital	1	57,400,000	57,400,000
Reserves & Surplus	2	130,411,974	129,733,477
LOAN FUNDS :			
Secured Loans	3	2,672,873	0
Unsecured Loans	4	129,959,611	106,182,239
TOTAL		320,444,458	293,315,716
APPLICATION OF FUNDS			
Fixed Assets :			
Gross Block	5	163,362,163	159,963,312
Less: Depreciation		111,019,480	105,228,100
		52,342,683	54,735,212
Investments	6	69,100	69,100
Current Assets, Loans & Advances			
Inventories	7	50,016,180	41,736,851
Sundry Debtors	8	259,184,716	253,523,853
Cash & Bank Balance	9	2,762,345	1,309,333
Loans & Advances	10	17,338,092	5,336,166
Deffered Tax Assets		23,120,150	22,807,331
TOTAL (A)		352,421,483	324,713,534
Less: Current Liabilities & Provisions :			
Current Liabilities	11	84,388,808	86,202,130
TOTAL (B)		84,388,808	86,202,130
Net Current Assets (A - B)		268,032,675	238,511,404
TOTAL		320,444,458	293,315,716

Notes to Accounts

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As per our Report of even date

For SUNDERJI GOSAR & CO.
Chartered Accountants

For HARIA EXPORTS LTD.

ALPESH SAVLA
Partner
M.No. 47828KANTILAL L. HARIA
Chairman & Managing DirectorMANISH K. HARIA
DirectorDate : 30/06/2009
Place : Mumbai



PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2009

	SCHEDULE	FOR THE YEAR ENDED ON 31/03/2009	FOR THE YEAR ENDED ON 31/03/2008
INCOME :			
Sale & Other Income	12	24,707,097	39,025,881
Increase/(Decrease) in Stock	13	8,091,601	(1,790,481)
TOTAL INCOME		32,798,698	37,235,400
EXPENDITURE			
Material Cost	14	12,342,038	22,385,162
Manufacturing Cost	15	3,451,073	728,190
Employee Cost	16	513,841	221,634
Administration Cost	17	7,621,114	5,218,933
Selling Cost	18	912,007	936,041
Financial Cost	19	608,754	72,056
TOTAL EXPENDITURE		25,448,827	29,562,016
Profit Before Depreciation		7,349,871	7,673,384
Less : Depreciation		6,858,447	7,538,265
Profit before tax after Depreciation		491,424	135,119
Less : Provision Tax		50,617	13,917
Profit After Tax		440,807	121,202
Less : Prior Period Expenses		75,130	28,325
Add : Deffered Tax		312,819	(1,530,492)
		678,496	(1,437,616)
Add : Balance Brought Forward		20,009,257	21,446,872
BALANCE AVAILABLE FOR APPROPRIATION		20,687,753	20,009,257
Less : Proposed Dividend for Current year		0	0
BALANCE TRANSFERED TO BALANCE SHEET		20,687,753	20,009,257

Notes to Accounts
As per our Report of even date

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For SUNDERJI GOSAR & CO.
Chartered Accountants

For HARIA EXPORTS LTD.

ALPESH SAVLA
Partner
M.No. 47828

KANTILAL L. HARIA
Chairman & Managing Director

MANISH K. HARIA
Director

Date : 30/06/2009
Place : Mumbai



SCHEDULE NO. 1 - 11 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

	AS AT 31/03/2009 Rupees	AS AT 31/03/2008 Rupees
Schedule - 1		
SHARE CAPITAL		
Authorised Capital :		
1,50,00,000 Equity Shares of Rs. 10 each	150,000,000	150,000,000
50,00,000 Unclassified Sh. of Rs.10 each	50,000,000	50,000,000
	<u>200,000,000</u>	<u>200,000,000</u>
Issued, Subscribed and Fully Paid up :		
57,40,000 Equity Shares of Rs. 10/- each	57,400,000	57,400,000
	<u>57,400,000</u>	<u>57,400,000</u>
Schedule - 2		
RESERVES AND SURPLUS		
Shares Premium Account	49,600,000	49,600,000
Capital Reserve	182,000	182,000
General Reserves	59,942,220	59,942,220
	<u>109,724,220</u>	<u>109,724,220</u>
Surplus in Profit & Loss Account	20,687,754	20,009,257
TOTAL	<u>130,411,974</u>	<u>129,733,477</u>
Schedule - 3		
SECURED LOANS		
Term Loan (Shedule Bank)	2,672,873	0
(Term Loan are Secured by a Equitable Mortgage of Land & Building & personal Guarantee of Two Directors)		
TOTAL	<u>2,672,873</u>	<u>0</u>
Schedule - 4		
UNSECURED LOANS		
From Directors	66,840,906	48,885,906
From Shareholders	27,597,494	22,270,122
From Others	35,521,211	35,026,211
(The above Loans are secured by personal Guarantee of the Chairman and Managing Director)		
TOTAL	<u>129,959,611</u>	<u>106,182,239</u>

SCHEDULE ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT MARCH 31,2009

SCHEDULE- 5 FIXED ASSETS

Assets	Gross Block				Depreciation				NET BLOCK	
	As on 01/04/2008	Addition During the Year	Deduction	Total as on 31/03/2009	As on 01/04/2008	For the Year	Dep. on Sale	Total dep. As on 31/03/2009	As on 31/03/2009	As on 31/03/2008
LAND	4,623,472	0	0	4,623,472	0	0	0	0	4,623,472	4,623,472
GIDC PLOT	434,201	0		434,201	0	0	0	0	434,201	434,201
SILVER ARTICLE	126,355	0	0	126,355	0	0	0	0	126,355	126,355
BUILDING	38,323,244	0	1,738,142	36,585,102	26,037,700	1,126,889	721,264	26,443,325	10,141,777	12,285,544
GIDC QUARTERS	352,047	0	0	352,047	223,439	6,430	0	229,869	122,178	128,608
FURNITURE & FIX	6,186,266	615,627	0	6,801,893	5,243,118	225,737	0	5,468,856	1,333,037	943,148
ELECTRICAL FITTING	2,445,471	212,304	0	2,657,775	1,825,044	104,528	0	1,929,572	728,203	620,428
PLANT & MACHINERY	94,497,670	4,553,492	0	99,051,162	60,137,261	5,123,212	0	65,260,473	33,790,689	34,360,409
FACTORY EQUIPMENT	47,244	0	0	47,244	27,727	2,715	0	30,441	16,803	19,517
OFFICE EQUIPMENT	3,087,157	9,990	0	3,097,147	2,438,191	90,561	0	2,528,752	568,395	648,966
VEHICLES	4,192,234	0	365,550	3,826,684	3,804,500	97,425	345,605	3,556,320	270,364	387,733
COMPUTERS	5,647,952	111,129	0	5,759,081	5,491,122	80,950	0	5,572,072	187,010	156,830
TOTAL AS ON 31/03/2009	159,963,313	5,502,542	2,103,692	163,362,163	105,228,102	6,858,447	1,066,869	111,019,680	52,342,484	54,735,211
TOTAL AS ON 31/03/2008	171,613,400	635,023	12,285,111	159,963,312	106,161,590	7,538,266	8,471,754	105,228,100	54,735,211	74,912,158



SCHEDULE NO. 1 - 11 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

	AS AT 31/03/2009 Rupees	AS AT 31/03/2008 Rupees
Schedule - 6		
Unquoted : (Long Term)		
Trade Investment		
506 (Prev. Year 506) Fully paid Equity Shares of Rs. 25/- each of Sardar Bhiladwala Pardi People Co-op Bank.	12,650	12,650
5 (Prev. Year 5) Fully paid Equity Shares of Rs.50/- each of The Greater Bombay Co-op Bank Ltd.	250	250
5520 (Prev. Year 5520) Fully paid Equity Shares of Rs.10/- each of The North Kanara G.S.B Co-op Bank Ltd.	55,200	55,200
100 (Prev. Year 100) Fully paid Equity Shares of Rs.10/- each of Mandvi Co-op Bank Ltd.	1,000	1,000
TOTAL UNQUOTED	69,100	69,100
Schedule - 7		
INVENTORIES (Taken, valued & certified by the Management)		
Fabrics & Papers	4,759,343	4,571,616
Finished Goods	45,256,837	37,165,235
TOTAL	50,016,180	41,736,851
Schedule - 8		
SUNDRY DEBTORS (Unsecured, Considered good)		
Outstanding for a period exceeding Six Months	256,480,997	253,523,853
Outstanding for a period Within Six Months	2,703,719	0
TOTAL	259,184,716	253,523,853



SCHEDULE NO. 1 - 11 ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

	AS AT 31/03/2009 Rupees	AS AT 31/03/2008 Rupees
Schedule - 9		
CASH AND BANK BALANCES		
Cash on Hand	1,225,674	402,653
Balance with Scheduled Bank	1,536,671	906,680
TOTAL	<u>2,762,345</u>	<u>1,309,333</u>
Schedule - 10		
LOANS AND ADVANCES		
(Unsecured, Considered good)		
Advances Recoverable in cash or in kind or for value to be received.	16,307,873	4,727,015
Sundry Deposits	1,030,219	609,151
TOTAL	<u>17,338,092</u>	<u>5,336,166</u>
Schedule - 11		
CURRENT LIABILITIES		
Sundry Creditors	80,880,210	86,188,213
Provision for Taxation	58,597	13,917
Deposit Received	3,450,000	0
TOTAL	<u>84,388,807</u>	<u>86,202,130</u>



**SCHEDULE NOS. 12-20 ANNEXED TO AND FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH , 2009.**

	FOR THE YEAR ENDED ON 31/03/2009	FOR THE YEAR ENDED ON 31/03/2008
Schedule - 12		
SALES AND OTHER INCOME		
Export Sales (Including Difference in Foreign Exchange credit)	10,017,472	20,135,878
Local Sales	4,221,527	1,274,137
Other Income	10,468,098	17,615,866
TOTAL	<u>24,707,097</u>	<u>39,025,881</u>
Schedule - 13		
INCREASE/(DECREASE) IN STOCK		
Opening Stock		
Finished Goods	37,165,234	38,955,715
Closing Stock:		
Finished Goods	45,256,835	37,165,234
TOTAL	<u>8,091,601</u>	<u>(1,790,481)</u>
Schedule - 14		
COST OF MATERIALS CONSUMED		
Opening Stock	4,571,616	26,091,750
Add: Purchases of Raw Materials	12,529,765	865,028
Less: Closing Stock	4,759,343	4,571,616
	<u>12,342,038</u>	<u>22,385,162</u>
Schedule - 15		
MANUFACTURING COST		
Production Handling Charges	1,316,811	208,670
Electricity & Power	62,172	209,033
Processing Charges	1,412,153	288,877
Other Manufacturing Expenses	659,937	21,610
TOTAL	<u>3,451,073</u>	<u>728,190</u>
Schedule - 16		
EMPLOYEE COST		
Salaries, Wages & Other Benefites	513,841	221,634
TOTAL	<u>513,841</u>	<u>221,634</u>



**SCHEDULE NOS. 12-20 ANNEXED TO AND FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH , 2009.**

	FOR THE YEAR ENDED ON 31/03/2009	FOR THE YEAR ENDED ON 31/03/2008
Schedule - 17		
ADMINISTRATION COST		
Auditor's Remuneration	27,575	28,090
Subscription, Periodicals	90,421	22,478
Legal & Professional Fees	906,025	627,141
Postage, Telegrams, Telephone, Telex	488,366	234,222
Rent, Rates & Taxes	1,243,848	573,134
Travelling Expenses	1,187,488	625,897
Conveyance and Motor Car Expenses	246,930	127,678
Office Expenses	659,243	333,666
Insurance	844,310	873,728
Repairs & Maintenance :		
Building	0	74,980
Others	243,197	127,929
Other Administrative Expenses	1,683,710	1,119,513
Loss on Sale of Assets	0	450,477
TOTAL	<u>7,621,114</u>	<u>5,218,933</u>

Schedule - 18**SELLING COST**

Advertisement/Sales Promotion Expenses	674,687	654,039
Commission	78,700	282,002
Transport Chg & Discount W/off	158,620	0
TOTAL	<u>912,007</u>	<u>936,041</u>

Schedule - 19**FINANCIAL CHARGES**

Interest Paid	456,882	0
Bank Charges	151,872	72,056
TOTAL	<u>608,754</u>	<u>72,056</u>



SCHEDULE -20

A SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009
1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
1) METHOD OF ACCOUNTING:

The accounts have been prepared under the historical cost convention and on going concern concept basis. Method of accounting employed by the company is generally mercantile both as to income and expenditure.

2) a) 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.

3) Depreciation :

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

4) 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 & WIP are valued at cost or market value whichever is lower

c) Obsolete stock if any is valued at net realisable value.

d) In the year under consideration there is no work in progress, which is to be valued at cost.

5) Investments :

Investments are stated at cost.

6) 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.

7) Borrowing Cost :

Interest and other related cost on acquiring qualifying assets are capitalised as per Accounting Standard AS -16.

8) 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.231.20 lacs on account of timing differences as shown below after crediting Current Tax effect of Rs.3.12 Lacs to profit and loss account.

Deferred Tax Liability on account of depreciation	Rs. 37,53,208
Deferred Tax Asset on account of loss and other disallowances	Rs.2,68,73,358
Net Deferred Tax Assets	Rs 2,31,20,150

9) 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 for the said year and gives effects to it in the Books of Account.

**10) 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.

	2008-2009 (Rs.in Lacs)	2007-2008 (Rs.in Lacs)
2) Contingent Liabilities not provided for		
i) Income Tax Demand	373.60	373.60
3) Auditor's Remuneration includes: -		
Audit fees	0.27	0.28
4) Quantitative & Other information :- (as Certified by management)		
A. Licensed Capacity	N.A.	N.A.
B. Installed Capacity	N.A.	N.A.

	Qty.	2008-2009 Value Rs.	Qty	2007-2008 Value Rs.
C Opening Stock:-				
i) Fabrics (Mtrs)	86203	39,42,086	536956	2,47,58,737
ii) Garments (Pcs)	160459	3,31,57,769	160693	3,31,80,370
iii) Blinds	26773	40,07,466	31564	57,75,345
iv) Others	-	6,29,530	-	13,33,012
v) Note books (Dozens)	-	-	-	-
		4,17,36,851		6,50,47,464

	Qty.	2008-2009 Value Rs.	Qty	2007-2008 Value Rs.
D ** Closing Stock :- (taken, valued & certified by management)				
i) Fabrics (Mtrs)	-	-	86203	39,42,086
ii) Garments (Pcs)	160459	3,31,57,769	160459	3,31,57,769
iii) Blinds	26773	40,07,466	26773	40,07,466
iv) Others	-	-	-	6,29,530
v) Note books (Dozens)	45330	80,91,600	-	-
vi) Paper (Kg)	83689	35,71,237	-	-
vii) Other	-	11,88,106	-	-
		5,00,16,179		4,17,36,851

** Closing Stock is taken as balancing figure after adjusting damages, shortage, scrap etc.

	Qty.	2008-2009 Value Rs.	Qty	2007-2008 Value Rs.
E Turnover (mfg):-				
i) Fabrics (Mtrs)	86203	57,66,037	404510	1,80,43,168
ii) Garments (Pcs)	58650	49,33,048	12147	18,50,652
iii) Note books (Dozens)	26771	35,39,913	-	-
		1,42,38,999		1,98,93,820

	Qty	2008-2009 Value Rs.	Qty	2007-2008 Value Rs.
F Details of Raw Materials Consumed				
i) Fabrics (Mtrs)	112277	50,27,818	63426	21,97,409
ii) Fabrics (Kgs)	3192	3,01,478	-	-
iii) Fabrics (Pcs)	-	-	-	-
iv) Other Garment Consumables	-	10,68,986	-	4,45,204
v) Paper (Kgs)	107181	46,57,680	-	-
vi) Other Note Books Consumables	-	10,23,582	-	-
		1,20,79,544		26,42,613

*** Consumption is arrived after adjusting scrap.

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

	% Age	Rupees	% Age	Rupees
i) Imported	29 %	34,72,290	2%	47698
ii) Indigenous	71 %	86,07,254	98%	2594915
	100.00	1,20,79,544	100%	2642613
			2008-2009 Rupees	2007-2008 Rupees

H Earning and Expenditure in Foreign Exchange :-

Earning :-

1.FOB Value of Exports (Including Diff. in Foreign Exchange)

1,00,17,472

1,98,93,820

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 debtors dues from the Companies/firms under the same Management.

K. Earning per share		2008-09	2007-08
Net Profit / (Loss) as per profit and loss account		Rs.6,78,496	Rs.(14,37,616)
No of equity shares outstanding (nos)		57,40,000	57,40,000
Basic and diluted earnings per share		0.12	(0.25)



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 Books	Total
REVENUE			
NET SALES/INCOME	106.98	116.31	223.29
Total Segment Revenue			
Total Sales	106.98	116.31	223.29
Segment Results Before Interest, Tax & Unallocable Cost	(73.83)	41.35	(31.48)
Add : - Unallocable Income			104.68
Less: - Interest			6.08
Add : - Unallocable corporate Cost			62.22
Profit before Tax			4.90
Taxes			0.50
Profit after Tax			4.40

	BUSINESS SEGMENT		(Rs. In Lacs)
	Garments	Note Books	Total
OTHER INFORMATION			
Segment Assets	3833.48	214.85	4048.33
Segment Liabilities	815.40	28.48	843.88
Capital Expenditure	6.91	48.11	55.02
Depreciation	65.22	3.36	68.58
Non Cash Expenses Other than Depreciation	-	-	-

INFORMATION ABOUT SECONDARY BUISNESS SEGMENT

4) Information about secondary segment (by geographical segment)

	Domestic		International	Total
	External Revenue	Segment Assets	Capital Expenditure	
Total Segment Revenue	106.98	116.31	223.29	
External Revenue	123.12	100.17	223.29	
Segment Assets	4048.33	-	4048.33	
Capital Expenditure	55.02	-	55.02	

**M. RELATED PARTY DISCLOSURE****Related Party and their Relationship****a) ASSOCIATES****b) ENTERPRISES IN WHICH MANAGEMENT PERSONNEL AND RELATIVES HAVE SIGNIFICANT INFLUENCE.**

- 1) Kumar International
- 2) Vilco Pharma Pvt. Ltd.

c) KEY MANAGEMENT PERSONNEL

- 1) Kantilal L. Haria
- 2) Manish K. Haria

Transaction for year ended 31st March 2009 (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	631.18	668.41	1299.59

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) Sundry balances are written off amounting to net Rs.0.71 lacs [P.Y Rs 1.57 Lacs] as per the Resolution passed by the Board of Directors at their meeting held on 25th March 2009
- P) The Company had advanced to three parties a sum of Rs.20.67 crores for purchase of material for their export orders. Subsequently the orders were cancelled and the materials were also not received by the company. The Company is in the process of the recovery of these trade advances and has lodged suit against parties.
- Q) Previous Year figures have been regrouped & reclassified/rearranged wherever necessary.

As per our Report of even date
For **SUNDERJI GOSAR & CO.**
Chartered Accountants

HARIA EXPORTS LIMITED

Alpesh Savla
Partner
M.No.47828

Kantilal L. Haria
Chairman & Managing Director

Manish K. Haria
Director

Date: 30th June 2009
Place: Mumbai



**STATEMENT PURUANT TO PART IV TO THE COMPANIES ACT,1956 BALANCE SHEET
ABSTRACT AND THE COMPANY'S GENERAL BUSINESS PROFILE**

I. REGISTRATION DETAILS

Registration No.	14758	State Code	11
Balance Sheet Date	31st March, 2009		

II. CAPITAL RAISED DURING THE YEAR [RS. IN THOUSANDS]

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. POSITION OF MOBILIZATION & DEVELOPMENT OF FUNDS [RS. IN THOUSANDS]

Total Liabilities	320,444	Total Assets	320,444
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SOURCES OF FUNDS

Paid Up Capital	57,400	Reserves & Surplus	130,411
Secured Loans	2,672	Unsecured Loans	109,959

APPLICATION OF FUNDS

Net Fixed Assets	52,342	Investments	69
Net Current Assets	268,032	Misc Expenditure	0
Accumulated Losses			

IV. PERFORMANCE OF THE COMPANY [RS. IN THOUSAND]

TURNOVER	32,798	Total Expenditure	32,307
Profit / (Loss) Before Tax	491	Profit / (Loss) After Tax	441
Earning Per Share	0.12	Dividend Rate (%)	-

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

(AS PER MONETARY TERMS)

<u>Item Code No. (ITC Code)</u>	<u>Product Description</u>
620520.02	Cotton Mens Shirts
620462.11	Cotton Ladies Shirts
520499.00	Cotton Fabrics
482010.00	Note Books



**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31/03/2009
PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT**

	2008-2009	2007-2008
A) NET PROFIT AFTER TAX AND EXTRAORDINARY ITEMS	4.41	1.21
DEPRECIATION	68.58	75.38
PRIOR PERIOD ITEMS	0.75	0.28
DIVIDEND RECEIVED	(0.10)	(0.07)
OTS WITH SBI & BOI	0.00	(1,220.05)
PROFIT /LOSS ON SALE OF ASSETS	(1.83)	4.51
PROFIT /LOSS ON SALE OF INVESTMENTS	0.00	0.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	71.81	(1,138.74)
ADJUSTMENTS FOR		
TRADE AND OTHER RECEIVABLES	(176.62)	3,480.97
INVENTORIES	(82.37)	232.68
TRADE PAYABLES	217.70	(3,241.17)
NET CASH FROM OPERATING PROFIT	30.52	(666.26)
B) CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	(55.02)	(6.35)
SALE OF FIXED ASSETS	12.20	33.50
INVESTMENTS DURING THE YEAR	0.00	0.00
DIVIDEND RECEIVED	0.10	0.07
	(42.72)	27.22
C) CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM LONG TERM BORROWINGS	26.73	(573.96)
PROCEEDS FROM SHORT TERM BORROWINGS	0.00	0.00
OTS WITH SBI & BOI	0.00	1,220.05
NET CASH USED IN FINANCING ACTIVITIES	26.73	646.09
NET INCREASE IN CASH AND CASH EQUIVALENTS	14.53	7.05
ADD CASH AND CASH EQUIVALENTS AS ON OPN. BAL.	13.09	6.04
CASH AND CASH EQUIVALENTS AS CLSG. BALANCE	27.62	13.09

HARIA EXPORTS LIMITED

Date: 30th June 2009

Place: Mumbai

Kantilal L. Haria
Chairman & Managing Director

Manish K. Haria
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 2009. 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

Date : 30th June, 2009
Place : Mumbai

ALPESH K. SAVLA
Partner
M.No.47828



**ATTENDANCE SLIP
HARIA EXPORTS LIMITED**

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

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

NAME & ADDRESS OF HE SHAREHOLDERS OR PROXY

NO. OF SHARES HELD :		MASTER FOLIO NO.	
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I hereby record my presence at the 39th Annual General Meeting of the Company to be held on Thursday, 13th August, 2009 at 9.00 a.m. at Gomantak Seva Sangh, Utkarsh Mandal Chowk, Malvia Marg, 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 : 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 39th Annual Meeting of the company to be held on Thursday, 13th August, 2009 at 9.00 a.m. at Gomantak Seva Sangh, Utkarsh Mandal Chowk, Malvia Marg, Vile Parle (E), Mumbai 400 057 and at any adjournment thereof.

Signed this _____ day of _____ 2008 _____ 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 Administrative Office of the Company at 8, Subhash Road, Vile Parle (East), Mmbai - 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

8, Subhash Road,
Vile Parle (East),
Mumbai - 400 057.
Tel. No.: 40973000.