



# **HARIA EXPORTS LIMITED**

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**37th ANNUAL REPORT  
2006-07**

**HARIA EXPORTS LIMITED****THIRTY SEVENTH ANNUAL REPORT 2006-07****BOARD OF DIRECTORS**

Mr. Kantilal L. Haria  
Mr. Manish K. Haria  
Mr. Kantilal L. Maru  
Mr. Lalit J. Kothari  
Mr. O.S. Agarwal

Chairman & Managing Director  
Director  
Director  
Director  
Director

**AUDITORS**

M/s. Sunderji Gosar & Co.

**BANKERS**

State Bank of India  
Bank of India

**REGISTERED OFFICE**

United Mansion,  
301/302, 3<sup>rd</sup> Floor,  
Parsiwada,  
Andheri Sahar Road,  
Mumbai 400 099.

**ADMINISTRATIVE OFFICE**

A - 1, Matoshree Residency,  
Off. Prathana Samaj Road,  
Vile Parle (E), Mumbai 400 057

Tel (91-22) 2610 8970 - 72  
Fax (91-22) 2610 8975  
e-mail : [accounts@hariagroup.com](mailto:accounts@hariagroup.com)

**INVESTOR SERVICE CELL**

1) Registered Office

2) Registrar & Transfer Agent  
M/s. Intime Spectrum Registry Ltd.  
C-13 Pannalal Silk Mills Compound  
L.B.S. Marg, Bhandup,  
Mumbai- 400 078. Tel.No. 2596 3838  
Fax: 2594 6969 Email: [isrl@vsnl.com](mailto:isrl@vsnl.com)

**PLANTS****1) 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.

**2) Kandla**

Unit No.1,  
Kandla, Special Economic  
Zone, Gandhidham,  
Kutch- 370 230.

Tel: 02836- 252237  
Fax: 02836-252655

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**HARIA EXPORTS LIMITED****THIRTY SEVENTH ANNUAL REPORT 2006-07****NOTICE**

**NOTICE** is hereby given that **Thirty Seventh** Annual General Meeting of **HARIA EXPORTS LIMITED** will be held on **Friday, 28<sup>th</sup> September, 2007** at 11.00 a.m. at Gomantak Seva Sangh, Utkarsh Mandal Chowk, Malvia Marg, Vile Parle (E), Mumbai – 400 057 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the Balance Sheet as at 31<sup>st</sup> March, 2007 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 retire by rotation and being eligible, offers himself for re - appointment.
3. To appoint a Director in place of Mr. O.S. Agarwal who retire by rotation and being eligible, offers himself for re – appointment.
4. To appoint Auditors and authorise the board to fix their remuneration.

**By Order of the Board**

**(KANTILAL L. HARIA)**  
Chairman & Managing Director

**Date : 30<sup>th</sup> June, 2007.**  
**Place : Mumbai**

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**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 **Wednesday, 26<sup>th</sup> September, 2007 to Friday, 28<sup>th</sup> September, 2007** (both days inclusive).
3. Members who hold shares in dematerialized form are requested to bring their ID and DP ID 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. Intime Spectrum Registry Limited**, C – 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai – 400 078 of changes if any, in their registered address at an early date and quote their Folio Numbers / Client ID / DP ID in all their correspondence.

**HARIA EXPORTS LIMITED****THIRTY SEVENTH ANNUAL REPORT 2006-07****DIRECTORS' REPORT**

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

Your Directors have pleasure in presenting the 37<sup>th</sup> Annual Report together with Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2007.

**FINANCIAL RESULTS:**

The Financial Results of the Company for the year ended 31<sup>st</sup> March, 2007 are summarized as under:

**Year Ended  
(Rupees in Lacs)**

<b>Particulars</b>	<b>31<sup>st</sup> March, 2007</b>	<b>31<sup>st</sup> March, 2006</b>
Sales and other Income	75.72	74.48
Increase/(Decrease) in stock	(6.19)	68.64
Less: Expenditure	45.41	569.91
Profit Before Depreciation	24.11	(426.79)
Less: Depreciation	93.41	109.21
Profit Before Tax	(69.30)	(536.00)
Less: Provision for Tax	NIL	NIL
Profit After Tax	(69.30)	(536.00)
Less: Prior period Expenses	3.29	10.89
	(72.59)	(546.89)
Less: Deferred Tax	7.36	(25.22)
	(79.95)	(521.67)
Add: Balance Brought Forward	294.41	816.09
Balance Available for Appropriation	214.46	294.41
Less: Proposed Dividend for the year	NIL	NIL
Less: Corporate Tax on Dividend (written back)	NIL	NIL
Less: Transfer to Gen. Reserve	NIL	NIL
<b>BALANCE TRANSFERRED TO BALANCE SHEET</b>	<b>214.46</b>	<b>294.41</b>

**1. DIVIDEND:**

The Directors do not recommend any Dividend for the year 2006 – 2007 mainly due to loss incurred by the Company.

**2. MANAGEMENT ANALYSIS:****2.1 Industry Structure & Development:**

The textile industry occupies a unique place in the economy of the country by virtue of its contribution to Industrial output, employment generation and Foreign exchange earnings. Even though the textile industry has the distinctive advantage in respect of raw material and skilled labour, the industry is suffering from technology obsolescence which in turn affects the quality, productivity and cost effectiveness. The textile and clothing are closely related with textiles providing major input to the clothing industry. International trade

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

**2.2. 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.

**2.3 Risks and Concerns:**

The risk factor is that with the opening up of international markets, after removal of quota system, there may be pricing pressure on products due to various suppliers who will start competing for the same orders in the international markets.

Apart from the above the Industry is exposed to foreign currency risk. The Government of India has instituted several policies to promote the growth and these include interest rate subsidies, duty/tax reimbursement schemes etc. Withdrawal/ termination of any of these policies/ schemes may adversely impact the profitability of the Company. Also wage costs in India have been significantly lower than the wage costs in the developed countries for skilled professionals in the textile industry, which has been our competitive strength. Wage increase in India may prevent industry from sustaining this competitive advantage and may negatively affect our profit margins.

**2.4 Internal Control System and their adequacy:**

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

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

**2.5 Financial Analysis:****BALANCE SHEET****(RUPEES IN LACS)**

	31.03.2007	31.03.2006
1. Share Capital	574	574
2. Reserve & Surplus	1312	1392
3. Loans (Secured)	574	612
4. Provision for Taxation	—	—
5. Net Fixed Assets	655	749
6. Net Current Assets	1804	1828

**2.6. 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



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all factories / units of the Company.

**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.

**Directors :**

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

Members are requested to re appoint them.

During the year under review Mr. Dhanraj Shah Director of your Company passed away on 15/01/2007. The Board wishes to place on record its sincere appreciation for the services rendered by Late Dhanraj Shah during the tenure of his directorship.

**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 31<sup>st</sup> March, 2007, 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 19 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 31<sup>st</sup> March, 2007 and of the loss 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 31<sup>st</sup> March, 2007 have been prepared on a going concern basis.

**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 2006 - 2007. The Certificate of M/s. Sunderji Gosar & Co. the Statutory Auditors of the Company regarding Compliance of the Corporate Governance Code is annexed herewith. The Company has been complying with Corporate Governance to the extent and in the manner set out in Annexure 'B' forming part of this Report.

**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"

**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.

**Auditors :**

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

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

As regards Note "L (a to d)" of the Notes to Accounts the matter is under negotiation for settlement with the party concerned and as regards to Note No. "U & V" the matter is in legal hands.

The rest of the observations made by the Auditors in their Reports are self explanatory and have been further amplified in the Notes to the Accounts.

**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**

**Date : 30<sup>th</sup> June, 2007.**  
**Place : Mumbai.**

**(KANTILAL L. HARIA)**  
**Chairman & Managing Director**

HARIA EXPORTS LIMITED



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## 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.

<b>Power &amp; Fuel Consumption</b>	<b>Current Year 2006 - 07</b>	<b>Previous Year 2005 - 06</b>
<b>I. Electricity</b>		
a) Purchased		
Units (000 KWH)	49010	113134
Total Amount (Rs.)	263712	897411
Rate per Unit (Rs.)	5.38	7.93
<b>B. CONSUMPTION PER UNIT OF PRODUCTION</b>		
<b>PRODUCT</b>	<b>Current Year 2006 - 07</b>	<b>Previous Year 2005 - 06</b>
<b>I. Garments Pieces</b>		
a) Production (Pieces)	1050	2256
b) Power (Units KWH)	49010	113134
c) Consumption per unit (KWH)	0.02	0.02

**FORM - B****I. 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 Notes to Accounts forming part of Balance Sheet

On Behalf of the Board of Directors.

Date: 30<sup>th</sup> June, 2007.  
Place: Mumbai.

(KANTILAL L. HARIA)  
Chairman & Managing Director

**HARIA EXPORTS LIMITED****THIRTY SEVENTH ANNUAL REPORT 2006-07****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 your 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 31/3/2007 are given below:

Name of the Directors	Category	Number of Directorship	Number of Chairmanship /
		in Public Limited Companies.	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 / re - appointment as required under Clause 49 (VI)(A) of the Listing Agreement entered into with the Stock Exchanges:

The Board of Directors consists of 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 Organization, 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 37 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.



**HARIA EXPORTS LIMITED****THIRTY SEVENTH ANNUAL REPORT 2006-07****(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 2006 -2007 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	7	7	YES
Mr. Manish K. Haria	7	3	NO
Mr. Kantilal L. Maru	7	7	YES
Mr. Dhanraj V. Shah	7	4	NO
Mr. Lalit J. Kothari	7	7	NO
Mr. O. S. Agarwal	7	7	YES

The Company follows financial year April to March. The Meeting of the Board of Directors of the Company which were held on the following dates during the year 2006-2007.

Sr. No.	Dates of Board Meeting
1	11.04.2006
2	30.06.2006
3	31.07.2006
4	31.10.2006
5	23.01.2007
6	31.01.2007
7	26.02.2007

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The Board Meetings are generally held at the Administrative 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 - I 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 31<sup>st</sup> March, 2007.

Sr. No.	Date of Meetings	Number of Members	Attendance
1	28.06.2006	3	3
2	28.07.2006	3	3
3	27.10.2006	3	3
4	29.01.2007	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 Agreements 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, both 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