



HARIA EXPORTS LIMITED

**44th ANNUAL REPORT
2013-2014**

**BOARD OF DIRECTORS**

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

Chairman & Managing Director
Joint Managing Director
Director
Director

AUDITORS

M/s. Sunderji Gosar & Co.

Chartered Accountants

BANKERS

Punjab National Bank & Others

REGISTERED OFFICE

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

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

INVESTOR SERVICE CELL

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

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NOTICE

Notice is hereby given that the 44th Annual General Meeting of the Members of HARIA EXPORTS LIMITED will be held on Monday, 29th September, 2014 at 9.30 a.m. at its Registered Office at 8, Subhash Road, Vile Parle (East), Mumbai – 400 057, to transact the following business:

Ordinary Business:

1. To receive, consider, approve and adopt the Balance Sheet as at 31st March 2014 and the Profit and Loss Account for the year ended as on that date and the Reports of the Directors' and Auditor's there on.
2. To appoint a Director in place of Mr. Manish Haria (DIN: 00585234) Managing Director, who retire by rotation, being eligible, offer himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit & Auditors) Rules, 2014, M/s. Sunderji Gosar & Co, Chartered Accountants, (FRN: 115543W), retiring auditors of the Company be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Forty Seventh (47th) Annual General Meeting of the Company, subject to ratification of the appointment by the Members of the Company at every Annual General Meeting, on such remuneration as may be agreed upon between the Board of Directors and the Statutory Auditors in addition to the reimbursement of service tax and actual out of pocket expenses incurred in relation with the audit of accounts of the Company.”

Special Business :

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT, in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in accordance with the provisions of Articles of Association of the Company, on the recommendation of Nomination and Remuneration Committee of the Board, and subject to the approval of members, consent of the Board be and is hereby accorded to the re-appointment of Mr. Kantilal Haria (DIN: 00585400) as Managing Director designated as the Chief Executive Officer, being the Chairman of the Company, for a period of 3 (Three) years with effect from January 8, 2015, on the terms and conditions including remuneration as per below details, with liberty to the Board of Directors on the recommendation of Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and / or remuneration subject to the same not exceeding the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**A. SALARY:**

Rs. 1,00,000/- per month with annual increment at such rate as may be approved by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee based on merit and taking into account the performance of the Company.

B. BONUS:

As may be decided by the Board of Directors

C. PERQUISITES & ALLOWANCE:

(i) In addition to the salary, Mr. Manish Haria will be also entitled to perquisites and allowances including medical reimbursement and leave travel concessions for self and family; telephone expenses at residence, club fees and personal accident insurance, accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs or such other perquisites and/ or cash compensation in accordance with the rules applicable to other senior executives of the Company. For the purposes of calculating the above, perquisites shall be evaluated as per Income tax Rules wherever applicable.

(ii) Company's contribution to provident fund, superannuation fund and annuity fund to the extent these are, either singly or put together, not taxable under the Income tax act; gratuity as per the Rules of the Company and encashment of leave at the end of the tenure will not be included for the purpose of computation of the overall ceiling of remuneration.

(iii) Car used on the Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

Any increment in salary and perquisite & allowance, as may be determined by the Board shall be within the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

D. REIMBURSEMENT OF EXPENSES:

Reimbursement of actual entertainment expenses, expenses incurred for travelling, board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company's business and, fuel expenses, insurance premium or other out of pocket expenses incurred in course of the official duties shall be reimbursed at actual and not considered as perquisites.

E. NATURE OF DUTIES:

(I) He will perform his duties with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.

(ii) He will act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.



(iii) He will adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

F. TERMINATION:

The office of Mr. Manish Haria will be terminated forthwith by notice in writing on the vacation of office of Director by virtue of section 167,169 and other applicable provisions of the Companies Act, 2013 or by giving 6 months notice in writing by either party.

“RESOLVED FURTHER THAT, In the event of loss or inadequacy of profits in any financial year, the Company shall pay to Mr. Manish Haria the above remuneration by way of salary, bonus and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or any statutory modifications therein or enactment thereof, as may be agreed by the Board of Directors and Mr. Manish Haria.”

“RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and in accordance with the provisions of Articles of Association of the Company, on the recommendation of Nomination and Remuneration Committee of the Board, and subject to the approval of members, consent of the Board be and is hereby accorded to the re-appointment of Mr. Manish Haria (DIN: 00585234) as Joint Managing Director designated as Chief Financial Officer of the Company, for a period of 3 (Three) years with effect from January 8, 2015, on the terms and conditions including remuneration as per below details, with liberty to the Board of Directors on the recommendation of Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

A. SALARY:

Rs. 1,00,000/- per month with annual increment at such rate as may be approved by the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee based on merit and taking into account the Company's performance.

B. BONUS:

As may be decided by the Board of Directors.

C. PERQUISITES & ALLOWANCE:

(i) In addition to the salary, Mr. Manish Haria will be also entitled to perquisites and allowances including medical reimbursement and leave travel concessions for self and family; telephone expenses at residence, club fees and personal accident insurance, accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances



for utilisation of gas, electricity, water, furnishing and repairs or such other perquisites and/ or cash compensation in accordance with the rules applicable to other senior executives of the Company. For the purposes of calculating the above, perquisites shall be evaluated as per Income tax Rules wherever applicable.

(ii) Company's contribution to provident fund, superannuation fund and annuity fund to the extent these are, either singly or put together, not taxable under the Income tax act; gratuity as per the Rules of the Company and encashment of leave at the end of the tenure will not be included for the purpose of computation of the overall ceiling of remuneration.

(iii) Car used on the Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

Any increment in salary and perquisite & allowance, as may be determined by the Board shall be within the limits specified under Section 197, read with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

D. REIMBURSEMENT OF EXPENSES:

Reimbursement of actual entertainment expenses, expenses incurred for travelling, board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company's business and, fuel expenses, insurance premium or other out of pocket expenses incurred in course of the official duties shall be reimbursed at actual and not considered as perquisites.

E. NATURE OF DUTIES:

(i) He will perform his duties with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.

(ii) He will act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.

(iii) He will adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

F. TERMINATION:

The office of Mr. Manish Haria will be terminated forthwith by notice in writing on the vacation of office of Director by virtue of section 167, 169 and other applicable provisions of the Companies Act, 2013 or by giving 6 months notice in writing by either party.

“RESOLVED FURTHER THAT, In the event of loss or inadequacy of profits in any financial year, the Company shall pay to Mr. Manish Haria the above remuneration by way of salary, bonus and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or any statutory modifications therein or enactment thereof, as may be agreed by the Board of Directors and Mr. Manish Haria.”



“RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to the provisions of section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) Mr. Sunil Prakash Mistry (DIN: 01673677), Director of the Company whose office was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (Five) consecutive years.”

“RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to the provisions of section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) Mr. Nitin Vasudev Oza (DIN: 02777627), Director of the Company whose office was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (Five) consecutive years.”

“RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT, pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, and rules framed thereunder, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money on such security and on such terms conditions as the Board may deem fit, in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/ to be obtained from the Companies Bankers in the ordinary course of business, shall not be in excess of Rs. 100 Crore (Rupees One Hundred Crore Only) over and above the aggregate of the paid up share capital and free reserves of the Company that is to say the reserves not set apart for any specific purpose.”



“RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution , any Director or two or more of them together be and is/are hereby authorized to finalize ,settle and execute such documents / deeds / writings /papers / agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary ,proper or desirable and to settle any question , difficulty or doubt that may arise in regard to creating mortgage / charge as aforesaid.”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT, pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act,2013, and rules framed thereunder (including any statutory modification or re-enactment thereof, for the time being in force), consent of the shareholders be and is hereby accorded to the Board of Directors of the Company to mortgage and / or charge, in addition to the mortgage / charges created / to be created by the Company, in such form and manner and with such ranking as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement (s), Debenture Trust Deed(s) or any other document entered into / to be entered into and at such time and on such terms as the Board may determine ,all or any of the movable and / or immovable properties of the Company ,both present and future and / or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favor of the Lender (s) / Agents (s) and Trustee / Trustee (s), for securing the borrowings of the Company availed / to be availed by way of loan(s) (in foreign currency and / or rupee currency) and Securities (comprising Fully / Partly Convertible Debenture and / or Non-Convertible Debentures with or without detachable or non-detachable Warrants and / or Secured Premium Notes and / or Floating Rates Notes / Bonds or other debt instruments), issued / to be issued by the Company , from time to time ,subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, additional interest , Compound interest in case of default, accumulated interest, liquidated damages, commitment charges, , remuneration of the Agent(s) / Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase between the Company and the Lender(s) / Agent(s) and Trustee / Trustee(s) ,in respect of the said loans / borrowings / debentures and containing such specific terms and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors thereof and the Lender(s) / Agent(s) / Trustee(s).”

“RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution ,any Director or two or more of them together be and is/are hereby authorized to finalize, settle and execute such documents / deeds / writings /papers / agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary ,proper or desirable and to settle any question , difficulty or doubt that may arise in regard to creating mortgage / charge as aforesaid.”

For and on behalf of the Board of Directors

Place: Mumbai
Date: 14.08.2014

Kantilal Haria
Chairman & Managing Director

**NOTES:**

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy must be duly filled in all respect and should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such a representative to attend and vote on their behalf at the meeting.
4. The Register of Members and the Share Transfer books of the Company will remain closed from Friday, 26th September, 2014 to Monday, 29th September, 2014 (both days inclusive).
5. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.
7. Members are requested to notify any change in their address/ mandate/bank details immediately to the share transfer Agent of the Company- M/s Link Intime India Private Limited.
8. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours of all days except Friday and Public Holidays between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.



9. Poll will also be conducted at the Annual General Meeting and members who has not cast his/her vote through e-voting facility may attend the Annual General Meeting and cast his/her vote.

10. VOTING THROUGH ELECTRONIC MEANS

- In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 44th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):
- The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members/ depositories as at closing hours of business, on 15th August, 2014.
- The shareholders shall have one vote per equity share held by them. The facility of e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders.
- The Company has appointed Mr. Milind Nirkhe, practicing Company Secretary, as the scrutinizer for conducting the e-voting process in the fair and transparent manner. The Scrutinizer shall within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses, not in the employment of the Company and make his report of the votes cast in favor or against and shall submit to the Chairman of the Meeting.
- The results of Annual General Meeting shall be declared within the prescribed time limits. The result of the e-voting will also be placed at the website of the Company viz. www.hariagroup.com and also on www.cdslindia.com.
- Instructions of Voting through electronic mode