

**20th
ANNUAL REPORT
1999-2000**



R. T. EXPORTS LIMITED

DIRECTORS

RASHMI BHIMJYANI
Chairman & Managing Director

SANAT MEHTA
T.N.V. AYYAR
MANISH PAREKH
DEEPAK POPAT
TULSI BHIMJYANI

AUDITORS

CHATURVEDI & SHAH
Chartered Accountants

BANKERS

CANARA BANK

REGISTERED OFFICE

508, Dalamal House, Jamnalal Bajaj Road,
Nariman Point, Mumbai 400 021

REGISTRARS & TRANSFER AGENTS

INTIME SPECTRUM REGISTRY PVT. LTD.
260-A, Shanti Industrial Estate,
Sarojini Naidu Road,
Mulund (West), Mumbai 400 080.

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NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of **R.T. EXPORTS LIMITED** will be held on Friday, the 29th September, 2000 at 10:00 A.M. at Tarabai Hall, Shivprasad, 97, Marine Drive, Mumbai - 400 002 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2000, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors' thereon.
2. To appoint a Director in place of Mr. Sanat Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT Clause 5 of the Memorandum of Association of the Company be altered thereof by the substitution of the following:-

"V. The Authorised Share Capital of the Company is Rs. 120,000,000 (Rupees Twelve Crores Only) divided into 3,009,000 Equity Shares of Rs. 10/- each and 899,100 Preference Shares of Rs. 100/- each, with power to increase or reduce the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company."

5. To consider, and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:-

"RESOLVED THAT Article 5 of the Articles of Association of the Company be substituted by the following:-

"5. The Authorised Share Capital of the Company is Rs. 120,000,000 (Rupees Twelve Crores Only) divided into 3,009,000 Equity Shares of Rs. 10/- each and 899,100 Preference Shares of Rs. 100/- each."

6. To Consider, and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to section 17 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Registrar of Companies, the following New Clauses 113 to 116 be inserted under the Object Objects Clause 'C' after the present Clause 112:

113. To develop, modify, improve, design, manufacture, use, operate, fabricate, acquire or provide any services of association in the field of all kinds of software programs, products, computer data processing machine and systems and component thereof, peripheral products, machine for and related to registration data preparation, recording, perfecting, monitoring, transmitting, typewriting, recognising and correlating all type of data or information to be processed, recognition and memory systems, optical scanning, mechanical transmission lines, transmission equipment, telecommunication equipment, terminal copying telephone equipment and their components and accessories or producing and distribution equipment machines for the small reproduction and word processing, multimedia, communication products, information technology products, value added services like E-mail, internet access services and software and tools related with internet, any electronics, electrical, mechanical and electro-mechanical products, machine apparatus, appliances, custom products, merchandise system, facilities and accessories and devices of all kinds.

114. To act as consultants for computer equipment and software and information services, software development, data entry and sale of peripheral to any persons or Company or to undertake and perform as sub-contractors and to do all or parts of the above things in any part of the world either as principals, agents, intermediaries or others and either alone or jointly with others.

115. To act as store-keepers in all its branches and to buy, sell and deal in, to transact every type of computer equipment, software and information services, business or work or transact and to generally enter in all such business.

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116. To acquire, collect, formulate and prepare technical data, details, specifications, drawings, designs, plan, layout and blue prints for other attainment of the objects.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its discretion, deem necessary and to sign and file all necessary papers and documents with the appropriate authorities, as applicable and for this purpose, to give authority to look after the alterations, as mentioned above, from time to time, for giving effect to the above resolution.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149(2A) of the Companies Act, 1956, approval be given to the commencement, by the Company, of new business as provided in Sub-Clause 3 of Object Clause a of the Memorandum of Association of the Company."

NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**
- 2) Proxies, in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered office of the Company not less than 48 hours before the meeting.
- 3) An Explanatory statement under Section 173 of the Companies Act, 1956, in respect of items 4, 5 and 6 to be transacted at the meeting is appended hereto.
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from 20th September 2000 to 28th September 2000 (both days inclusive).
- 5) Share transfer documents and all correspondences relating thereto, should be addressed to the Registrars and Share Transfer Agents of the Company, M/s. INTIME SPECTRUM REGISTRY PRIVATE LIMITED, 260 - A, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (W), Mumbai - 400 080.
- 6) Members are requested to notify immediately and change in their addresses to the Registrars and Share Transfer Agents of the Company at the above address.
- 7) Members are requested to bring their copies of the Annual Report to the Meeting

By order of the Board

Mumbai
August 23, 2000.

Rashmi Bhimjyani
Chairman & Managing Director

Registered Office :
508, Dalamal House,
Jamnalal Bajaj Road,
Nariman Point,
Mumbai 400021



ANNEXURE TO THE NOTICE :

Explanatory Statement as required by Section 173 of the Companies Act, 1956.

The following Explanatory Statement sets out as required by Section 173 of the Companies Act, 1956, the material facts relating to Item Nos. 4 to 6 mentioned in the accompanying Notice dated August 23, 2000.

Item Nos. 4 and 5

The Authorised Share Capital of the Company is Rs.120,000,000 divided into 5,000,000 Equity Shares of Rs.10/- each and 700,000 Preference Shares of Rs.100/- each.

The current paid-up share capital of the Company is Rs.100,090,000 divided into 3,009,000 Equity Shares of Rs.10/- each and 700,000 - 7% Non Cumulative Preference Shares of Rs.100/- each.

In view of the changed business needs of the Company, it was approved by the Board of Directors at its meeting held on August 23, 2000 to re-align the Authorised Share Capital of the Company by cancelling un-issued 1,991,000 Equity Shares of Rs.10/- each and simultaneously increasing the Authorised Preference Share Capital of the Company by the creation of additional 199,100 Preference Shares of Rs.100/- each.

Consequent upon the above, the authorised share capital of Rs.120,000,000 would stand divided into 3,009,000 Equity Shares of Rs.10/- each and 899,100 Preference Shares of Rs.100/- each.

It is proposed that the shareholders accord their approval for re-aligning the Share Capital of the Company thus necessitating amendment of Clause V of the Memorandum of Association and Article 5 of the Articles of Association of the Company.

Hence, the proposed Resolutions as set out under Item Nos.4 and 5 is placed for the shareholders' approval.

The Directors recommend the resolution for your approval.

None of the Directors are interested in these Resolutions.

Item No. 6

The Company is presently carrying on the business of export of Agricultural Commodities.

Due to severe financial crisis and stiff competition in the export of agricultural commodities and the depressed economy, it would be beneficial for the Company and its shareholders, if the Company diversifies its activities with a view to broadbasing its activities and making it more resilient. In view of the bright prospects, your Directors feel that the proposed additional business may be conveniently and advantageously be combined with the existing business of the Company. Therefore, the Other Objects Clause of the Memorandum of Association are being amended with insertion of New Clauses 113 to 116 after the Clause 112 in Clause C to facilitate diversification and to enable the Company to enlarge its area of operations.

In accordance with the section 17 of the Companies Act, 1956, the proposed alteration of the Memorandum of Association requires to be approved by a Special Resolution with necessary permission from the Registrar of Companies.

The draft copy of the Memorandum of Association together with the proposed amendments is available for inspection at the Registered Office of the Company on any working day during business hours.

Hence, the proposed Resolutions as set out under Item No.6 is placed for the shareholders' approval.

The Directors recommend the resolution for your approval.

None of the Directors are interested in this Resolution.

By order of the Board

Mumbai
August 23, 2000.

Rashmi Bhimjyani
Chairman & Managing Director

Registered Office :
508, Dalamal House,
Jammalal Bajaj Road,
Nariman Point,
Mumbai 400021

20th ANNUAL REPORT 1999-2000**DIRECTORS' REPORT**

To,
The Members,
R. T. Exports Limited.

Your Directors have pleasure in presenting the 20th Annual Report together with the audited Accounts for the year ended 31st March, 2000.

1. FINANCIAL RESULTS

	1999-2000 Current year (Rs. in lakhs)	1998-99 Previous year (Rs. in lakhs)
Profit / (Loss) before depreciation & interest	460.77	205.77
Less : Depreciation	149.06	114.29
Interest	<u>396.16</u>	<u>424.38</u>
	<u>545.22</u>	<u>538.67</u>
Profit / (Loss) before tax	(84.45)	(332.90)
Less : Provision for tax	<u>NIL</u>	<u>NIL</u>
Profit after tax	(84.45)	(332.90)
Add: Excess provisions of earlier years' written back	NIL	1.99
Prior Period Adjustments (net)	(26.80)	—
Balance brought forward from previous years	346.13	677.04
Balance available for appropriation	<u>234.88</u>	<u>346.13</u>
Appropriations :		
Proposed dividend	—	—
Corporate Dividend tax	—	—
Transfer to general reserve	—	—
Balance carried forward	<u>234.88</u>	<u>346.13</u>
	<u>234.88</u>	<u>346.13</u>

2. DIVIDEND

In view of the loss made by the Company, the Directors regret to declare dividend for the year.

3. OPERATIONS

During the year under review, your Company focussed its operations on branding of Basmati and Non-Basmati rice by overhauling the packing materials and improving the marketing and distribution network by appointing a dedicating sales team for massive domestic market penetration of the Company's brands. Your Company is sphere heading the operations by setting up a huge whole sale godown at the APMC market in Vashi. Your Directors are pleased to inform you that the Company has got a Food & Drug Administration (FDA) licence after complying with stringent quality checks for exports to USA and in this regard, the Company is successfully marketing its 'Mallika' brand which has entered the super markets in USA occupying prominent shelf space in the se stores. Your Company is confident of increasing its sales substantially in this regard.

4. FUTURE PROSPECTS

The year under review has been a year of consolidation and stabilisation. Your company has recently tied up with National Dairy Development Board (NDDB) to market 'SAFAL' brand for Basmati and Non-Basmati rice. The launch of the product is expected shortly and the Company has ambitious plans to market it internationally. The Company is on a diversification spree and has decided to make a foray in the cold storage sector, which is a sun-rise sector given due prime importance by the Government of India. The project is expected to take off very shortly bringing substantial revenues to the Company.

5. FIXED DEPOSITS

During the year the Company has not accepted any fixed deposits from the public.

6. DIRECTORS

Mr. Sanat Mehta retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

7. AUDITORS

Chaturvedi & Shah, Chartered Accountants, Mumbai will retire at the forthcoming Annual General Meeting and offer themselves for re-appointment and if re-appointed the same will be within the prescribed limits specified in Section 224 (1B) of the Companies Act, 1956. Members are requested to appoint auditors and to fix their remuneration.

8. LISTING WITH THE STOCK EXCHANGES

The Companies securities are listed on the following stock exchanges: -

1. The Stock Exchange, Mumbai
2. The Delhi Stock Exchange Association Limited, New Delhi
3. Saurashtra Kutch Stock Exchange Limited, Rajkot
4. The Stock Exchange, Ahmedabad

The Company confirms that it has paid listing fees on all the Stock Exchanges where it is listed.

9. YEAR 2000 'Y2K' COMPLIANCE

The change over to the new millennium was successful, without a single incident or complaint of Y2K non-compliance in the Company.

10. AUDITORS' REPORT

Certain items as mentioned in the Auditors' Report have been explained in the notes to accounts, which is self-explanatory.

11. PARTICULARS UNDER SECTION 217 (1)(c) OF THE COMPANIES ACT, 1956:**I. A. Conservation of energy: -**

The requirement for disclosure of particulars with respect to conservation of energy is not applicable to the rice industry.

B. Research and development :**1. Specific areas in which research and development efforts have been put in by the Company are: -**

- Updating the laboratories and analysis procedure.
- Receiving and improving raw material - Paddy / Rice.
- Mechanising the product handling.
- Modifying aspiration system-Improvement in power factor & Capacitive power generation.
- Adding Pneumatic boiler at Bundi giving heat efficient filter