

**24th
ANNUAL REPORT
2003 - 2004**



R. T. EXPORTS LIMITED

R.T. EXPORTS LIMITED**24th ANNUAL REPORT 2003-2004****R.T.EXPORTS LIMITED**

Registered Office : 508, Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai 21

ATTENDANCE SLIP

I hereby record my attendance at the Twenty fourth Annual General Meeting of the members of R. T. Exports Limited to be held on Friday, 17th day of the September, 2004 at 10.00 A.M. at 508, Dalamal House, Nariman Point, Mumbai 400 021.

Name and Address of Shareholder

Register

(in BLOCK CAPITALS)

Folio No.

Signature of the Shareholder or Proxy _____

Please complete this attendance slip and hand it over at the entrance of the auditorium

R.T.EXPORTS LIMITED

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

PROXY FORM

I/We _____ of _____

_____ of _____

_____ being a Member/Members of R.T.EXPORTS LIMITED hereby appoint _____ of _____

_____ (or failing him)

_____ of _____ (or failing him)

_____ of _____ as my/our Proxy to attend and

Vote for me / us and on my / our behalf at the Twenty Fourth Annual General Meeting of the Company to be held on Friday, 17th Day of September of the, 2004 at 10.00 A.M. at 508, Dalamal House, Nariman Point, Mumbai 400 021 and at any adjournment thereof.

AS WITNESS my hand / our hands this _____ day of _____ 2004.

Stamp

Signed by the said

Note : The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the Meeting. The Proxy need not be a member of the Company.

Register Folio No. _____

Name of the Shareholder(s) _____

R.T. EXPORTS LIMITED**24th ANNUAL REPORT 2003-2004****DIRECTORS**

RASHMI BHIMJYANI
Chairman & Managing Director

SANAT MEHTA (Resign w.e.f.25/04/2004)
T.N.V.AYYAR
MANISH PAREKH
DEEPAK POPAT
TULSI BHIMJYANI

AUDITORS

Dhiren T Shah & Co.,
Chartered Accountant

BANKERS

CANARA BANK

REGISTERED OFFICE

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

REGISTRARS & TRANSFER AGENTS INTIME SPECTRUM REGISTRY PVT. LTD.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai – 400 078.

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NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of R.T. EXPORTS LIMITED will be held on Friday the 17th day of September, 2004 at 10.00 A.M. at 508, Dalamal House, J.B. Road, Nariman Point, Mumbai 400021 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2004, the Profit and Loss Account for the year ended 31st March, 2004 and the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Tulsi Bhimjyani, who is retires by rotation and being eligible, offers himself for re-appointment
3. To appoint a Director in place of Mr. Manish Parekh , who is retires by rotation and being eligible, offers himself for re-appointment
4. To appoint auditors and to fix their remuneration.

For and on behalf of the Board of Directors

For R.T.EXPORTS LTD

Rashmi Bhimjyani
Chairman & Managing Director

Place: Mumbai
Date : 9th August, 2004

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Books of the Company will be closed from 13th September 2004 to 17th September 2004 (Both days Inclusive) in connection with the Annual General Meeting.
3. 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.
4. Members holding shares in physical form are requested to notify any change in their address/ mandate / bank details to the Company's Registrar and Share Transfer Agents.
5. Members holding shares in physical form, who have multiple accounts in identical names or joint accounts in the same order are requested to send all the Share Certificate(s) for consolidation of all such shareholdings into one account, to the Company's Registrar and Share Transfer Agents.
6. Members are requested to intimate immediately, any change in their address to our Registrar & Transfer Agents, INTIME SPECTRUM REGISTRY PVT. LTD. C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai - 400 078.
7. Members are requested to bring their copies of the Annual Report to the Meeting.

For and on behalf of the Board of Directors
For R.T.EXPORTS LTD

Rashmi Bhimjyani
Chairman & Managing Director

Place : Mumbai

Date : 9th August, 2004

Registered Office : 508, Dalamal House, Jamnalal Bajaj Marg,
Nariman Point, Mumbai - 400 021.

DIRECTORS' REPORT

Your Directors present the 24th Annual Report together with the audited Accounts for the year ended 31st March, 2004.

1. FINANCIAL RESULTS

	2003-2004		2002-2003	
	Current year		Previous year	
	(in Lakhs)		(in Lakhs)	
	Rs.	Rs.	Rs.	Rs.
Profit / (Loss) before depreciation & interest		344.61		261.93
Less : Depreciation	118.12		122.08	
Interest	127.07		132.85	254.93
Profit / (Loss) before tax		99.42		7.00
Less : Provision for tax		-		-
Profit after tax		99.42		7.00
Add: Excess provisions of earlier years' Written back				
Prior period Adjustment		(1.18)		(1.87)
Income tax of previous years		(3.59)		(16.36)
Balance brought from last year		(604.71)		(593.48)
Balance available for appropriation		(510.06)		(604.71)
Appropriations :				
Balance carried forward		(510.06)		(604.71)

2. DIVIDEND

In view of the marginal profit during the year, the Directors regret to recommendation of any dividend for the year under review.

3. MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) :

Company Financial Review

In the year 2003-04, the company had mainly focused on improving the liquidity. Sales for the year increased by 6.98 Crores to as against sales of Rs.6.41 crores in previous year. Major part of inventory was liquidated. Due to improved price realization, the company had successfully entered lucrative segment of export of diamonds. The company also started grading and sorting of rice activity at Kandla. On account of re-structuring of business activity, the company was able to turn around with a marginal profit of Rs.0.99 crores as against profit of Rs. 0.07 crores in the previous year.

The Company's business consists of the following major segments alongwith revenue generated.

Agro Products	Rs.72,842,862/-
Diamonds	Rs.46,026,271/-
Commission / Brokerage	Rs.15,139,408/-

Resources & Liquidity

As stated earlier, during the year, company has continued to focus on improving the liquidity. The company has settled up to 80% of the overdue Packing credit facility with Canara Bank.

Business Review

Prospect of Basmati Rice is absolutely bright provided if it is developed as a brand and market it through-out the World. This year the company expect better crop of Basmati Paddy on account of good monsoon. It is also expected that there has to be a good demand of "Parboiled " Rice in Saudi Arabia and other part of the World since our decision to manufacture and process rice at Bundi - in our own plant whereby we see considerable saving of local taxes as compared to the taxes being levied in Haryana.

The export of Diamonds is a new business activity. India is regarded as one of the leading exporter of diamonds. Due to favourable international trend, the company expects to do better in this segment.

Grading activity at Kandla on job work basis will entitle the company to use its plant and machinery more efficiently as this kind of facility will facilitate value addition to other exporters at Kandla.

Opportunities & Challenges

We feel Basmati Rice will continue to be cultivated locally, since hybrid variety of Pusa Basmati is being developed and it is able to match the price comparison with Pakistan and especially Europe & U S A. Most of the restaurants in U S A prefer basmati rice, as their patrons are demanding the same

over local rice. Being engaged in the export trade, there will be opportunity to export other commodities / items like diamonds etc.

Uptill now the company had only one line of activity. Now the company has diversified into export of diamonds, job work at Kandla and has become multi activity company. It has reduced its dependence on one line of activity.

Risk & Concern

Keen competition from Pakistan and the so-called other hybrid varieties will definitely dent our profit margins even-though high volume turn-over is expected. Lastly, Basmati is a seasonal commodity and the climatical Change affects the crop due to which the supply can be erratic - in other words - Demand vs. supply will be the most important criteria. Exchange rate fluctuation have also led to same concern.

Adequacy of Internal Control:

The Company has a proper and adequate system of internal control to ensure that all activities are monitored and controlled against any unauthorized use or disposition of assets and that the transactions are authorized, recorded and reported Correctly.

Human Resource Development:

The Company has a team of able and experienced industry professionals. The Number stands as 8.

4. FIXED DEPOSITS

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

5. DIRECTORS

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

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

6. AUDITORS

M/s. Dhiren T. Shah & Co., Chartered Accountants, Mumbai retire at the ensuing Annual General Meeting and being eligible offers 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 theretore requested to consider their re-appointment and fix their remuneration.

7. AUDITORS REPORT:

Explanations to notes on accounts referred by the auditors in their reports are as under: -

As per Note No. 6. Since Creditors do not information about the status of their being SSI Units. It is not possible for the Company to segregate the amount payable between SSI Units and others.

As per Note No. 7. The Company has taken up the matter for reconciliation of Dividend account with respective Bank. The Company hopes that the matter will be fully resolved during the coming year

As Per Note No. 8. The Company has submitted its rejoinder to the appeal filed by the insurer against the Order of IRDA to the Central Government and matter is awaiting final decision by the Central Government

Other observations in the auditor's report are self-explanatory.

8. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies (Amendment) Act 2000 the Directors state that:

- a) In the preparation of Annual Accounts for the financial year ended 31st March, 2004 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2004 and of the profit and Loss account of the Company under review.

- c) The Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
- d) The Annual Accounts have been prepared on a going concern basis.

9. PARTICULARS OF EMPLOYEES:

As there are no employees in receipt of Remuneration of Rs. 24,00,000 or more for the year or Rs. 2,00,000/- per month if employed for part of the year, the statement made under Section 217(AA) is not applicable.

10. PARTICULARS UNDER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956.

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:

The company has put to use the technology already available to it. The company has not acquired any new technology during the year. The company has not incurred any expenses on R & D during the year.

1. Specific areas in which other Company has put in research and development efforts are:

Nil

2. Benefits derived as a result of the above research and development:

N.A.

3. Future plans for action:

Nil

II (a) Technology absorption, adoption and innovation:

- The company has fully absorbed the technology already available to it.