

CORPORATE INFORMATION

BOARD OF DIRECTORS

(As on 25th August, 2010)

Rashmi Bhimjyani

Chairman & Managing Director

Tulsi Bhimjyani

Director

N. Rangachary

Director

Sanat Mehta

Director

REGISTERED OFFICE

508, Dalamal House

J. B. Road

Nariman Point

Mumbai - 400 021.

AUDITORS

M/S Mehta & Sanghavi,
25- R, 9th Floor,
Navjeevan Commercial Premises
Lamington Road,
Mumbai - 400 008.

BANKERS

Canara Bank
State Bank of India

REGISTRARS AND

SHARE TRANSFER AGENT

LINK INTIME INDIA 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 Thirtieth Annual General Meeting of R. T. Exports Limited will be held on Thursday, 23rd day of September, 2010 at 508 Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai 400 021 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2010 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors Report 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 consider, and if thought fit, to pass with or without modifications, the following resolution as ordinary resolution:-

"RESOLVED THAT M/s. Ramesh M. Seth & Associates, Chartered Accountants, Mumbai, be and are hereby appointed as the auditors of the Company in place of M/S. Mehta & Sanghavi, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at a remuneration to be agreed upon between the auditors and the Board of Directors of the Company plus out of pocket expenses as may be incurred by them."

By order of Board of Directors

Place : Mumbai
Date : 25th August, 2010

RASHMI BHIMJYANI
CHAIRMAN & MANAGING DIRECTOR

Regd. Office:
508, Dalamal House
J. B. Road.
Nariman Point
Mumbai - 400 021.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies in order to effective must be received at the registered office of the Company not less than 48 hours before the Commencement of the Annual General Meeting.
2. Corporate Members are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
3. Members/proxies should fill in the attendance slip for attending the Meeting.
4. Reappointment of Directors: At the ensuing meeting, Mr. Sanat Mehta retires by rotation and being eligible, offers himself for re-appointment. The details pertaining to this director

required to be provided pursuant to Clause 49 of the Listing Agreement are furnished in the statement on Corporate Governance in the Annual Report.

5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 16th September 2010 to Thursday, 23rd September, 2010 (both days inclusive)
6. Members holding shares in physical form are requested to notify/ send the intimation of their change, if any, in address and details of Bank account at the earliest to the Share Transfer Agent viz: Link Intime India Pvt. Ltd., C- 13, Pannalal Silk Mills Compound. L. B. S. Marg. Bhandup (West). Mumbai - 400 078.

Members holding shares in the electronic form are advised to inform changes in address/ Bank mandate, if any, directly to their respective Depository Participants.

7. Member desirous of getting any information relating to the accounts and operation of the Company are requested to address their queries at least 7 days in advance of the meeting so that the information required may be made available at the meeting.
8. Members are requested to bring their copy of Annual Report to the meeting.

By order of Board of Directors

Place : Mumbai
Date : 25th August, 2010

RASHMI BHIMJYANI
CHAIRMAN & MANAGING DIRECTOR

Explanatory Statement

Item No. 3

Special notice in terms of provisions of Section 190 of the Companies Act, 1956 read with Section 225 of the Act has been received from Shareholders of the Company for the appointment of new Auditors M/s Ramesh M. Seth & Associates in place of the retiring auditors M/s Mehta & Sanghvi, Chartered Accountants. A written certificate has been obtained from M/s Ramesh M. Seth & Associates, Chartered Accountants to the effect that in case of their appointment as Auditors of the Company, the appointment will be in accordance with the limits prescribed under section 224(1B) of the Act.

Your Directors recommend the Resolution for your approval.

None of the Directors is concerned or interested in this resolution.

By order of Board of Directors

Place: Mumbai
Date : 25th August, 2010

RASHMI BHIMJYANI
Chairman & Managing Director

Regd. Office:

508, Dalamal House
J. B. Road, Nariman Point
Mumbai - 400 021.

DIRECTORS REPORT

Your Directors have pleasure in presenting the 30th Annual Report together with the audited statement of Accounts for the financial year ended 31st March 2010.

1. FINANCIAL HIGHLIGHTS

The Financial Results for the year ended 31st March 2010 are as under:

Particulars	Rs. In Lacs	
	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
Sales & Services	491.82	924.40
Other Income	17.77	42.31
Profit Before Deprecation & Interest	84.36	143.35
Less :- Depreciation	66.99	59.42
Interest	2.52	4.37
Profit before Tax	14.84	79.56
Provision for taxation (Net)	(3.50)	(2.90)
Prior Period Item	(0.80)	(2.47)
Profit / (Loss) after Tax	10.54	74.19
Add :- Balance Brought Forward from Previous Year	(95.65)	(169.85)
Balance Carried to Balance Sheet	(85.10)	(95.66)

2. FINANCIAL REVIEW

During the period under review, the Company's income from sales & Services stood at Rs. 491.82 Lacs as compared to Rs. 924.40 Lacs in 2008-09. During the period under review, there was lot of speculation in the price of Basmati rice. Since your company was not interested in entering into speculative activity, it resulted in a decrease in turnover, which in turn affected the profitability.

Your Company has initiated necessary measures to diversify the client base in the Gulf area and improve the profitability of the Company.

2. DIVIDEND

In view of the accumulated losses, the Directors have decided not to recommend any dividend for the year under review.

3. FIXED DEPOSITS

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

4. DIRECTOR

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

Brief profile of the Director proposed to be reappointed is given in the Corporate Governance Report.

5. AUDITORS

Special notice in terms of provisions of Section 190 of the Companies Act, 1956 read with Section 225 of the Act has been received from Shareholders of the Company for the appointment of new Auditors M/s Ramesh M. Seth & Associates in place of the retiring auditors M/s Mehta & Sanghvi, Chartered Accountants. A written certificate has been obtained from M/s Ramesh M. Seth & Associates, Chartered Accountants to the effect that in case of their appointment as Auditors of the Company, the appointment will be in accordance with the limits prescribed under section 224(1B) of the Act.

Board of Directors recommend to appoint M/s Ramesh M. Seth & Associates as the Statutory Auditors of the Company

6. AUDITORS REPORT

There being no observations made by the Auditors in respect of financial results for the year ended as on 31st March, 2010, your directors are not required to offer any comments pursuant to section 217(3) of the Companies Act, 1956.

7. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 the Directors state that:

- a) In the preparation of Annual Accounts for the financial Year ended 31st March 2010 the applicable accounting standards have been followed along with proper explanation 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 2010 and of the profit of the Company for the year 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.

8. 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 under Section 217 (AA) is not applicable.

9. 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 agro export activities of the company.

B. Research and Development:

The Company has applied and followed the general acceptable technology available and used by the industry. 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. Specified areas in which the 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
 - (a) Technology absorption, adoption and innovation;
 - The Company has fully absorbed the technology already available to it.
 - (b) Benefit to be derived as a result of the above;
 - Not applicable

C. Foreign exchange earning and outgo:

- (c) Foreign Exchange

Earned (on FOB basis) : Rs. 4,616,613/-

Outgo : Rs. Nil

10. CORPORATE GOVERNANCE

A report on corporate governance along with a certificate from M/S Ashish Agarwal & Associates, Company Secretaries in practice, regarding compliance of requirements of Corporate Governance pursuant to clause 49 of the listing agreement with Stock Exchange are annexed hereto.

11. INVESTOR GRIEVANCES COMMITTEE

Investor's relations have been cordial during the year. As a part of the compliance, the Investor's Grievances Committee is dealing with the issues relating to investors. There were no investor's grievances pending as on 31st March, 2010. A confirmation to this effect has been received from the Company's Registrar and Share Transfer Agent.

12. ACKNOWLEDGEMENT

Your Directors place on record their grateful appreciation for the support and cooperation extended to the Company by Banks, Government authorities, Customers during the year under review. The Directors would also like to thank the employees for their continued support and contribution in ensuring all round performance.

For and behalf of the Board of Directors

Place : Mumbai
Date : 25th August, 2010

RASHMI BHIMJYANI
Chairman & Managing Director

MANAGEMENT DISCUSSIONS AND ANALYSIS (MD&A)**A. Industry structure and developments**

Rice Industry is an important constituent in the agricultural sector of Indian Economy. It gives major employment for the rural population in crop handling and movement of rice and transport industry. It has fast growing brand demand in domestic and Industrial market. Demand for branded rice is slowly spreading to rural sector, rice being the staple food for majority of the Indian population. Further substantial portion of Basmati rice produced in India has huge demand in Industrial market.

B. Opportunities and threats**i) Opportunities**

Going ahead, the Company's outlook appears optimistic for the following reasons:

- Rice continues to be staple food for about 65 percent of India's population, which is increasing.
- The basmati rice segment continues to be highly organized, with an attractive market share available to the company to capture.
- The Company has large production capacities, enjoying a relatively low processing cost.
- With an increase in global per capita incomes, the demand for better basmati qualities has increased significantly.

ii) Threats

- Increasing competition from other Indian companies operating in similar segments.
- Increasing competition from countries that offer low cost manufacturing bases such as Vietnam and Thailand in the area of non-basmati rice.

C. Segment-wise or product-wise performance.

(i) The business groups comprise the following:-

- Agro - Agricultural commodities such as rice, Rajgira etc.
- Investment/ Security transactions.
- Services
- Rental services.

(ii) The Geographical segments considered for disclosure are:

- Sales within India
- Sales outside India

The segmentwise financial detail is given in Schedule 21 in notes on accounts under the head Segment Reporting.

D. Outlook

During the financial year 2010-11, the monsoon has been very good but basmati producing areas have been experiencing flooding as a result of which the initial production estimates are a little worrying. Pakistan rice crop have also been affected by heavy flooding. However, our company has to compete with exporters of other countries in export of Basmati rice. Your Company is optimistic in increased turnover as it has regular overseas clientele and the carry-over stocks in countries like Saudi Arabia has depleted and we are confident of getting good export orders from them.

E. Risks and Concerns**Climatic risk**

Rice is largely dependant on monsoon and any adverse changes in climate can lead to shortage of produce.

Risk mitigation

The company largely procures rice and rajgira from Uttar Pradesh, Uttaranchal, Haryana, Punjab, Gujarat and Rajasthan. The areas under rice cultivation are situated in locations that enjoy abundant rainfall reinforced by adequate irrigation facilities in the respective areas. The company's exposure to this risk is well within its hedging guidelines. All revenue exposures are hedged to the maximum extent. Depending on the volatility of local currencies, the extent of risk covers could vary.

Foreign exchange risk

As a company primarily engaged in exports, your company too is exposed to foreign exchange risk.

Realizations risk

Any decline in the realizations would directly affect the company's performance.

Cost risk

The company generally markets aged rice, leading to an accumulation of its inventory and resulting in a higher debt cost. Moreover, increased freight could dent profitability.

F. Internal Control Systems and their adequacy

The Company has in place adequate internal control systems and procedures to commensurate with the size and nature of its business. The internal control systems in the Company are reviewed by the Board of Directors which would provide assurance regarding the effectiveness and efficiency of operation, reliability of financial reporting and compliance with applicable laws and regulations. The transactions are authorized, recorded and reported in conformity with generally accepted accounting practices.

All employees are rigorously exposed and trained to follow the Company's business conduct guidelines with integrity as the foundation of every transaction and activity that is undertaken.

G. Discussions on financial performance with respect to operational performance

(Rupees in Lacs)

Description	2009-2010	2008-2009	Changes%
Sales & Services	491.82	924.40	(53.20)
Other Income	17.77	42.31	(41.99)
Profit before Tax	14.84	79.56	(18.65)
Profit / (Loss) after Tax	10.54	74.19	(14.20)

During the period under review, the Company's income from sales & Services stood at Rs. 491.82 Lacs as compared to Rs. 924.40 Lacs in 2008-09. During the period under review, there was lot of speculation in the price of Basmati rice. Since your company was not interested in entering into speculative activity, it resulted in a decrease in turnover, which in turn affected the profitability. Thus the Profit before Tax for the period under review stood at Rs 14.84 Lacs as against Rs. 79.56 Lacs for the corresponding period in the previous year.

H. Human Resource Development

The development of human resources is the top most priority as the Company considers human resources as an important asset. Value addition in human resources is emphasized throughout the organization. Regular training is provided through well structured and objective programs.

CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the markets in which the Company operates, changes in the government regulations, tax laws and statutes and other incidental factors.

For and behalf of the Board of Directors

Place : Mumbai
Date : 25th August, 2010

RASHMI BHIMJYANI
Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is about promoting corporate fairness, transparency, accountability and integrity of the management. It also aims to align as nearly as possible the interests of individuals, corporations and society and thereby enhancing the stakeholders' value. Best results are achieved when the Companies begin to treat the Corporate Governance system not as a mere structure but as a way of corporate life. Good corporate governance practices have always been an integral part of your Company's philosophy and is committed to achieving and maintaining the highest standard of corporate governance.

BOARD OF DIRECTORS

a) Composition and category of Directors

As on 25th August, 2010, the Board of Directors had 4 members, out of which 2 are Executive Directors and 2 are Non - Executive Directors who bring in a wide range of skills and experience to the Board. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

None of the directors on the Board is a Member on more than ten Committees and Chairman of more than 5 Committees (as specified in clause 49), across all the Companies in which he is a Director. The necessary disclosure regarding Committee positions have been made by the Directors.

Name of Director	Designation	Category	
		Executive / Non- Executive	Independent / Non-Independent
Mr. Rashmi Bhimjyani	Chairman & Managing Director	Executive	Non - Independent
Mr. Tulsi Bhimjyani	Director	Executive	Non - Independent
Mr. N. Rangachary	Director	Non - Executive	Independent
Mr. Sanat Mehta	Director	Non - Executive	Independent
Mr. T. N. V. Ayyar**	Director	Non - Executive	Independent
Mr Bhavik Bhimjyani**	Director	Executive	Non - Independent

Necessary disclosures have been made by the Directors in this regards.

** Resigned as Director w.e.f. 30th October, 2009

b) Board Meetings

Board meetings are normally held at the Registered Office of the Company. The dates of Board meetings are fixed well in advance and intimated to the Board Members so as to enable them to plan accordingly.

The Board is responsible for the management of the business and meets regularly for discharging its role and functions. The members of the Board have complete freedom to express their views and all the decisions are taken on the basis of a consensus arrived at after detailed discussion on each item of the agenda.