

CORPORATE INFORMATION

BOARD OF DIRECTORS

(As on 30th August, 2012)

Rashmi Bhimjyani

Chairman & Managing Director

Bhavik Bhimjyani

Director

Yogesh Dawda

Director

Sheetal Mehta

Director

REGISTERED OFFICE

508, Dalamal House

J. B. Road

Nariman Point

Mumbai - 400 021.

AUDITORS

M/s Ramesh M. Sheth and Associates

Chartered Accountants,

1-A, Mulji Mistry Bldg., 1st Floor,

Tejpal Road, Vile Parle(East)

Mumbai 400057

BANKERS

Oriental Bank of Commerce

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 Thirty Second (32nd) Annual General Meeting of R. T. Exports Limited will be held on Friday, the 28th day of September, 2012 at 508 Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai 400 021 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS

Item No. 1 - Adoption of Accounts

To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012, Profit and Loss Account for the year ended on that date together with the Report of the Board of Directors and the Auditors Report thereon.

Item No. 2 - Re-appointment of Mr. Bhavik Bhimjyani

To appoint a Director in place of Mr. Bhavik Bhimjyani, who retires by rotation, and being eligible, offers himself for re-appointment.

Item No. 3 - Appointment of Auditors

To consider, and if thought fit, to pass with or without modifications, the following resolution as ordinary resolution:-

"RESOLVED THAT M/s. Ramesh M. Sheth & Associates, Chartered Accountants, (Firm Registration No.111883W), the retiring auditors be and are hereby re-appointed as the auditors of the Company, 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 re-imbursement of out of pocket expenses as may be incurred by them."

SPECIAL BUSINESS

Item No. 4 - Appointment of Mr. Sheetal S. Mehta as a Director, liable to retire by rotation

To consider and, if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:-

"RESOLVED THAT Mr. Sheetal S. Mehta, who was appointed as an Additional Director with effect from January 06, 2012 on the Board of the Company in terms of Section 260 of the Companies Act, 1956 and Article 135 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By order of Board of Directors

Place : Mumbai
Date: 30st August, 2012

RASHMI BHIMJYANI
CHAIRMAN & MANAGING DIRECTOR

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

NOTES:

1. In accordance with the provisions of Section 173 of the Companies Act 1956 and Listing Agreement, an explanatory statement in respect of Item No. 4, being item of Special Business is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. Proxies in order to be effective must be received at the registered office of the Company not less than 48 hours before the Commencement of the Annual General Meeting.
4. Corporate Members are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
5. Members/proxies should fill in the attendance slip for attending the Meeting.
6. The Register of Directors' shareholding, maintained under section 307 of the Companies Act, 1956, will be available for inspection by the members at the AGM.
7. The Register of Contracts maintained under section 301 of the Companies Act, 1956, will be available for inspection by the members at the registered office of the Company.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 21st September 2012 to Friday, 28th September, 2012 (both days inclusive)
9. 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 Agents viz: Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound. L.B.S.Marg, Bhandup(W) 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.
10. 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.
11. Members are requested to bring their copy of Annual Report to the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**ITEM NO. 4**

Mr. Sheetal S. Mehta was appointed as an Additional Director by the Board of Director w.e.f. January 06, 2012 in accordance with the provisions of Section 260 of the Companies Act, 1956 and Article 135 of the Articles of Association of the Company.

Pursuant to Section 260 of the Companies Act, 1956 the above Director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the Company, along with a deposit of Rs.500/- proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956.

The Board feels that presence of Mr. Sheetal S. Mehta on the Board is desirable and would be beneficial to the Company and hence recommend resolution No. 4 for adoption.

None of the Directors, except Mr. Sheetal S. Mehta, is concerned or interested in this resolution.

The Board recommends resolutions under Item No. 4 to be passed as ordinary resolution.

By order of Board of Directors

Place : Mumbai
Date: 30st August, 2012

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 32nd Annual Report together with the audited statement of Accounts for the financial year ended 31st March, 2012.

1. FINANCIAL HIGHLIGHTS

The financial results for the year ended 31st March 2012 are as under:

Particulars	Rs. In Lacs	
	For the Year Ended March 31, 2012	For the Year Ended March 31, 2011
Sales & Services	864.37	469.37
Other Income	46.51	36.05
Profit before Depreciation, Interest & Extra-ordinary/prior period item	307.03	87.66
Less :- Depreciation	75.01	74.46
Interest	0.75	0.35
Extra-ordinary/prior period Loss	-	7.04
.Profit before Tax	231.27	5.81
Provision for Taxation (Net)	(46.30)	(2.65)
Deferred Tax	(117.26)	-
Profit/ (Loss) after Tax	67.70	3.16
Add :- Balance brought forward from previous year	(81.95)	(85.10)
Balance carried to Balance Sheet	(14.25)	(81.95)

2. FINANCIAL REVIEW

During the period under review, the Company's income from sales & Services stood at Rs 864.37 Lacs as compared to Rs. 469.37 Lacs in 2010-2011. Your Company has achieved Profit before Tax of Rs. 231.27 Lacs as compared to Rs 5.81 Lacs showing the increase in Profit by Rs. 225.46 Lacs.

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

3. DIVIDEND

Your Directors have not recommended any dividend on equity shares for the year under review.

4. FIXED DEPOSITS

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

5. DIRECTORS

During the year under review, the Composition of Board of R.T Exports Ltd. has undergone some changes due to appointments/cessations as mentioned below.

Cessations:

1. Shri Sanat Mehta ceased to hold the office of a Director during the financial year 2011-2012

Appointments:

1. Shri Sheetal Sanat Mehta was appointed as an Additional Director of the Company under section 260 of the Companies Act, 1956, by the Board of Directors at its meeting held on January 06, 2012. Company has to regularize his appointment in the forthcoming Annual General Meeting.
2. Mr. Bhavik Bhimjyani 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 re-appointed is given in the Corporate Governance Report.

6. AUDITORS

Retiring Auditors M/s Ramesh M. Sheth & Associates, Chartered Accountants, have offered themselves for re-appointment. A written certificate has been obtained from them 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 the re-appointment of M/s Ramesh M. Sheth & Associates as the Statutory Auditors of the Company.

7. AUDITORS REPORT

There being no observations made by the Auditors in respect of financial results for the year ended as on 31st March, 2012, your directors are not required to offer any comments pursuant to section 217(3) of the Companies Act, 1956.

8. DIRECTORS RESPONSIBILITY STATEMENT

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

- i) In the preparation of Annual Accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) 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, 2012 and of the profit of the Company for the year under review;
- iii) 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;
- iv) 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 under Section 217 (AA) is not applicable.

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

Your Directors place on record their grateful appreciation for the support and co-operation 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.

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 & outgo:**a) Foreign Exchange**

Earned (on FOB basis) : Rs. 1,64,38,950/-
Outgo : Rs. 12,01,233/-

11. CORPORATE GOVERNANCE

A Report on Corporate Governance along with a certificate from Ms. Ruchika Shah, Practicing Company Secretary, regarding compliance of requirements of Corporate Governance pursuant to clause 49 of the Listing Agreement with Stock Exchange are annexed hereto.

12. INVESTOR GRIEVANCE 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, 2012. A confirmation to this effect has been received from the Company's Registrar and Share Transfer Agent

13. DE-MERGER

De-Merger of its warehousing division was considered by the Board at its meeting held on 14th August, 2012.

14. ACKNOWLEDGEMENT

Yours Directors place on record their grateful appreciation for the support and co-operation 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 : 30th August, 2012

RASHMI BHIMJYANI
Chairman & Managing Director

MANAGEMENT DISCUSSIONS AND ANALYSIS (MD&A)

A. Industry structure and developments

Government of India has been considering agriculture and farming under priority sector and Rice Industry is an important constituent in the agricultural sector of Indian Economy. Majority of rural population has been employed in crop cultivation, 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.

Agri warehousing has got momentum and Company is visualizing a vast scope in this field. Keeping the same on focus, De-merger of the warehousing division was considered by the Board under intimation to Stock Exchange.

B. Opportunities and threats

i) Opportunities

Rice Business is coming of age and it is ranked among first few business of India. With policy measures from the Government, the agriculture accounts for substantial percentage of the Country's exports. Indians spend majority of their household expenditure on food items at present. Agriculture sector industry would create substantial employment opportunities in the coming years. Strong urban middle class and changing food habits, promises a huge potential to be tapped. Agriculture has been declared as a priority sector by the Government. The National Policy towards the same has been revised for an integrated approach to facilitate speedy growth. The aim of the policy is to simplify procedures to comply with the need and growth of the sector. Under infrastructure development, Agro-Food Parks are identified in various Indian cities, which in turn will help agriculture. The various states realising the importance of the Food Processing Industry from an employment as well as revenue generation perspectives have been extremely forthcoming in bolstering growth in this industry. Some states that have gone an extra mile by providing various fiscal as well as non-fiscal initiatives include Andhra Pradesh, Punjab, Madhya Pradesh, Uttar Pradesh and Karnataka. Agri warehousing has to play a major role in checking the food prices. Central & State Governments are giving a lot of emphasize and incentives for development of Agri warehouses. Your Company aims to gain benefit of the same.

ii) Threats

The world economy has witnessed an unprecedented economic crisis causing severe recessionary trends in various countries. The synchronized global recession coupled with dramatic changes in the financial landscape is further decelerated the growth. Compared to other economies, India has been somewhat stable as the government has taken some proactive steps to combat the situation. However, favourable demographics and low penetration levels still continue to remain the key levels of the consumption for India. Despite this pall of gloom that bears on us, there are reasons to remain optimistic and confident. India's inherent strengths provide a strong foundation to better withstand the aftermath of the downturn in the global economy. Rice & Wheat are basic necessity of human being and invariably consumed by everyone in different ways. Hence, the Basic Food segment, in which your Company is operating, is less affected due to good production levels, increase in area under cultivation and huge and ready market availability for the products.

C. Segment-wise or product-wise performance.

- (i) The business groups comprise the following:-
- Agro - Agricultural commodities such as Rice, Rajgira etc.
 - Business of handling, storage and transportation
 - Services
 - Rental services.
- (ii) The Geographical segments considered for disclosure are:
- Sales within India
 - Sales outside India

The segment wise financial detail is given in Schedule 21 (D) in notes on accounts under the head Segment Reporting.

D. Outlook

Importance of Agri-warehouses are bound to increase as the Central, State Governments and public at large have realized the role of Agri-warehousing in checking the food prices. The demand for food grains would continue to grow with rise in income levels coupled with change in life style of the people. At the current population growth, rice production has to be enhanced to about 125 million ton by 2020. There is a huge potential for capacity expansion of the existing units in the domestic basmati rice milling industry. The domestic rice industry at present is fragmented and largely occupied by the small and inefficient unorganised units. The domestic industry is at nascent stage and has great potential. 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**

Agriculture in India 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	2011-2012	2010-2011
Sales & Services	864.37	469.37
Other Income	46.51	36.05
Profit before Tax	231.27	5.81
Profit / (Loss) after Tax	67.70	3.16

During the period under review, the Company's income from sales & Services stood at Rs. 864.37 Lacs as compared to Rs. 469.37 Lacs in 2010-11. Your Company has achieved Profit before Tax of Rs. 231.27 Lacs as compared to Rs. 5.81 Lacs showing the increase in profit by Rs. 225.46 Lacs.

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
Dated: 30th August, 2012

RASHMI BHIMJYANI
Chairman & Managing Director