

**33rd
ANNUAL REPORT
2012 - 2013**



R. T. EXPORTS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

(As on 30th May, 2013)

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 AGENTS

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 Thirty Third (33rd) Annual General Meeting of R. T. Exports Limited will be held on Monday, the 15th day of July, 2013 at 508 Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai 400 021 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, Profit and Loss Account for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Yogesh Dawda, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and 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."

SPECIAL BUSINESS

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

4. Re-appointment of Chairman & Managing Director

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), consent of the Members be and is hereby accorded to the re-appointment of Shri Rashmi C. Bhimjyani as the Chairman & Managing Director of the Company to hold Office for a fresh period of 5 (five) years with effect from 30th September, 2013 on such principal terms and conditions including remuneration as set out below and also in the draft agreement proposed to be signed between the Company and Mr. Rashmi C. Bhimjyani, a copy of which is submitted to this meeting and initialed by the Chairman for the purpose of identification, with liberty to the Board to vary, alter and modify such terms and conditions including salary, allowances, perquisites and commission at any time during the tenure of his office as may be agreed to by the Board of Directors and Shri Rashmi C. Bhimjyani:

Terms and Conditions of Appointment

1. **Period of Appointment:-** Appointment shall be for a period of 5 (five) years beginning from 30th September, 2013 and ending on 29th September, 2018.
2. **Details of Remuneration:**
Salary:-
Rs. 10,000/- (Rupees Ten Thousand only) per month.
3. **Termination of Appointment:** This appointment may be terminated by either party by giving six months' notice in writing.

4. **Other Terms:** Subject to the direction, control and superintendence of the Board of Directors and service rules of the Company, Shri Rashmi C. Bhimjyani shall have the responsibility for the overall management of the affairs of the Company and shall perform such duties and exercise such powers as are entrusted to or conferred upon him by the Board, in the best interests of the Company.

"RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of the Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to the Chairman & Managing Director by way of Salary, Benefits, Perquisites and Allowances and Incentive Remuneration within the limits specified under applicable laws."

"RESOLVED FURTHER that the Directors on the Board of the Company be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

By order of Board of Directors

Place : Mumbai
Date: 20th June, 2013

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 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.
2. 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.
3. Corporate Members are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
4. Members/proxies should fill in the attendance slip for attending the Meeting.
5. 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.
6. 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.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 8th July 2013 to Monday, 15th July, 2013 (both days inclusive)
8. 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.
9. 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.
10. Members are requested to bring their copy of Annual Report to the meeting. Please bring the attendance slip with you duly filled in and hand over the same at the entrance.

11. The Ministry of Corporate Affairs, Government of India (vide its Circular Nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has taken a 'Green Initiative in Corporate Governance' by allowing paperless compliances and recognising delivery of Notices/Documents/ Annual Reports etc. to the shareholders through electronic medium. In light of the above, the Company will be sending Notice/ Documents/ Annual Reports etc. to the shareholders in future through email, wherever the Email Id is available; and through other modes of service provided in Section 53 of the Companies Act where email address have not been registered. Accordingly Members are requested to support this initiative by registering their email addresses in respect of shares held in dematerialised form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents, Link Intime India Pvt. Ltd., C- 13, Pannalal Silk Mills Compound. L.B.S. Marg, Bhandup (W) Mumbai - 400 078.

EXPLANATORY STATEMENT (Under Section 173 (2) of the Companies Act, 1956)**ITEM NO. 4**

Shri Rashmi C. Bhimjyani was appointed as Managing Director of the Company for a period of 5 years in the 28th Annual General Meeting of your Company held on 30th September, 2008 with effect from 30th September, 2008. The 5 years tenure of Shri Rashmi C. Bhimjyani will expire on 29th September, 2013. The Board of Directors at their meeting held on 20th June, 2013 reappointed Shri Rashmi C. Bhimjyani as the Chairman & Managing Director of the Company for a further period of 5 (five) years with effect from 30th September, 2013 on such remuneration as stated in the resolution and subject to the approval of the members in the ensuing Annual General Meeting. The remuneration payable as stated in the aforesaid resolution is subject to overall ceiling of 5 Percent of net profits of the Company as per the provisions of the Act. In the event of absence or inadequacy of profits in any financial year of the Company during his tenure as Managing Director, he will be entitled to Salary, Benefits, Perquisites and Allowances and Incentive Remuneration within the limits specified under applicable laws. As Mr. Rashmi C. Bhimjyani will be attaining the age of 70 years during his tenure as Managing Director, your approval for his re-appointment is being sought for by a Special Resolution pursuant to Schedule XIII of the Companies Act, 1956. A brief resume of Shri Rashmi C. Bhimjyani, nature of his expertise in specific functional areas, names of companies in which he holds directorship and membership/chairmanship of Board Committees and relationships between Directors inter-se, as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges in India, are appended to this Notice. As per the provisions of Companies Act, 1956 appointment of such Managerial personnel requires approval of the shareholders in the general meeting. Hence the Board commends the Special Resolution as set out in item No.4 of the Notice for your approval. This may also be treated as a Memorandum of Abstract issued pursuant to the provisions of Section 302 of the Companies Act, 1956. Copy of the draft agreement to be entered by the Company with Shri Rashmi C. Bhimjyani, Chairman and Managing Director, is open for inspection by any member of the Company at its Registered Office during business hours on any working day.

None of the Directors except Shri Rashmi C. Bhimjyani and Shri Bhavik R. Bhimjyani is interested or concerned in the aforesaid resolution.

By order of Board of Directors

Place : Mumbai
Date: 20th June, 2013

RASHMI BHIMJYANI
Chairman & Managing Director

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

ADDITIONAL INFORMATION OF DIRECTOR RECOMMENDED FOR APPOINTMENT OR SEEKING RE-APPOINTMENT AT THE 33rd ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)**Shri Rashmi C. Bhimjyani**

Shri Rashmi C. Bhimjyani (Director Identification Number - 00207941), is the Founder and also the Chairman & Managing Director of the Company. His date of birth is 05/06/1944. He established the Company in the year 1980. He has been instrumental in developing the core businesses of the Company, viz, agri products trading and export and agri warehousing. Mr. Bhimjyani holds BS in Economics from Boston College and an MBA from University of Bridgeport, Connecticut. Rashmi Bhimjyani has more than 38 years of extensive experience in the procurement, processing and marketing of food grains, export of rice and agri warehousing. He does not hold directorship in any other companies other than private limited companies. Further, he does not hold Chairmanship or Membership in Committees of any other Public Limited Companies.

Shri Rashmi C. Bhimjyani holds 17,56,527 shares in the Company as on March 31, 2013.

Details of the Directors seeking appointment / re-appointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)**Shri. Yogesh Dawda**

Director Identification Number : 01767642
Date of Birth : 02/12/1956
Date of Appointment : 24/08/2011
Qualification : B.Com
Experience : 35 years experience in the business of agri products trading and export.

Directorship in other
Public Limited companies : Nil
Chairmanship in Committees : Nil
Membership in Committees : Nil
No. of shares held : Nil

By order of Board of Directors

Place : Mumbai
Date : 20th June, 2013

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 33rd Annual Report together with the audited statement of Accounts for the financial year ended 31st March, 2013.

1. FINANCIAL HIGHLIGHTS

The financial results for the year ended 31st March 2013 are as under:

(Rs. In Lacs)

| Particulars | For the Year Ended March 31, 2013 | For the Year Ended March 31, 2012 |
|--|--------------------------------------|--------------------------------------|
| Sales & Services | 429.79 | 864.37 |
| Other Income | 41.83 | 46.51 |
| Profit before Depreciation, Interest & Extra-ordinary/prior period item | 180.8 | 307.5 |
| Less :- Depreciation | 71.49 | 75.02 |
| Interest | 50.93 | 1.21 |
| Extra-ordinary/prior period Loss | - | - |
| Profit before Tax | 58.38 | 231.27 |
| Provision for Taxation (Net) | (11) | (46.30) |
| Deferred Tax | (5.10) | (117.26) |
| Profit/ (Loss) after Tax | 42.28 | 67.71 |
| Add : Income Tax adjustment earlier year (net) | 5.33 | - |
| Add :- Balance brought forward from previous year | (14.24) | (81.95) |
| Balance carried to Balance Sheet | 33.37 | (14.24) |

2. FINANCIAL REVIEW

During the period under review, the Company's income from sales & Services stood at Rs 429.79 Lacs as compared to Rs. 864.37 Lacs in 2011-2012. Your Company has achieved Profit before Tax of Rs. 58.38 Lacs as compared to Rs 231.27 Lacs showing the decrease in Profit by Rs. 172.89 Lacs.

Your Company has initiated necessary measures to generate income from agri warehousing and to 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

- i) There was no change in Directorship during the year under review.
- ii) Mr. Yogesh Dawda retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

- iii) Shri Rashmi C. Bhimjyani has been re-appointed as Chairman and Managing Director of the Company by the Board subject to the approval of members in the ensuing Annual General Meeting

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, 2013, 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, 2013, 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, 2013 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) : NIL

Outgo : Rs. 3,19,856/-

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, 2013. A confirmation to this effect has been received from the Company's Registrar and Share Transfer Agent.

13. DE-MERGER

The Company is in receipt of "No Objection" from SEBI regarding the De-Merger of its warehousing division and the same was taken on record by the Board.

14. APPOINTMENT OF CFO

Mr. Rajesh Pillai has been appointed to the Office of Chief Financial Officer (CFO) of the Company by the Board.

15. 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 May, 2013

RASHMI BHIMJYANI
Chairman & Managing Director

MANAGEMENT DISCUSSIONS AND ANALYSIS (MD&A)

Management Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the Listing Agreement with Bombay Stock Exchange, forms part of this Report.

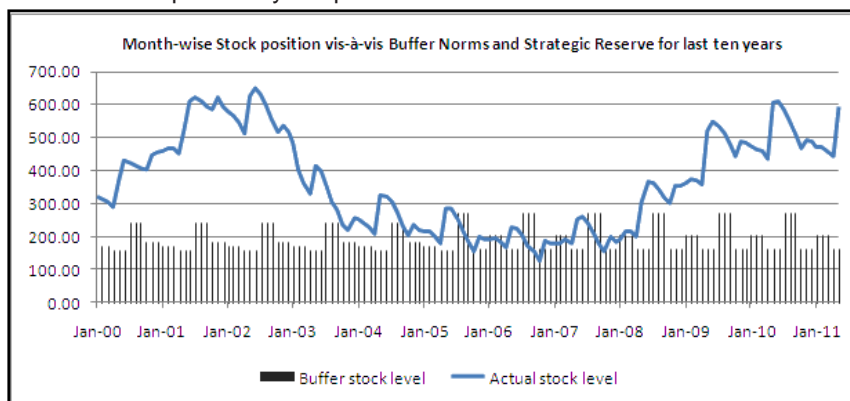
A. Industry structure and developments

Your Company is primarily engaged in the integrated business of handling, storage and transportation of foodgrains and trading and export of agri products. Agri warehousing has been treated as priority sector by Government of India apart from agriculture and farming and has been giving a lot of initiatives to these sectors. In view of the growing integration of Indian economy with the global economy, the volumes of external trade have been showing an uptrend. The demand for bulk warehousing and handling facilities has been rising. Agricultural marketing has assumed increasing importance. Keeping in view the focus of the Indian Government on the rural economy and the farm sector, the demand for storage facilities in rural areas is also increasing. Connectivity of rural and urban areas enhances the demand for quality storage infrastructure for better aggregation, supply chain and consumption with low wastages and costs, offering better value for consumers. The availability of good storage facilities in the rural areas facilitate better quality retention and consequently better sales realization of products for the farming community, apart from enabling funding needs. Thus the storage infrastructure facilities have vast potential to cater to the growing needs of various stakeholders. During the year under review, the international economic and political situations coupled with monetary conditions have influenced domestic business sentiments.

Indian economy is an agrarian economy with over 70% of the population engaged in activities related to agriculture. Indian food grain production has grown at an average rate of 1.20% over a period from 1994-95 with production of 192 million metric tonne (MMT) to an all time record output of 232 MMT in 2010-11 (15 years) and the uptrend is continuing. A major part of the food grain production consists of rice and wheat. Further, production of Rabi and Kharif crops is now almost equal on account of growth in Rabi crop due to increased production of wheat, rice, cereals and pulses. All these taken together have drastically increased the need for storage capacity in India.

With the average buffer stock norms for food grains of around 25 MMT and peak of 32 MMT in July every year, the storage capacity available with Government agencies is primarily used for keeping central stock of food grains for the buffer stock, public distribution systems and other Government schemes.

The graph below presents, the stock levels maintained by the state agencies and the buffer stock norms for the past 10 year period.



B. Opportunities and Threats

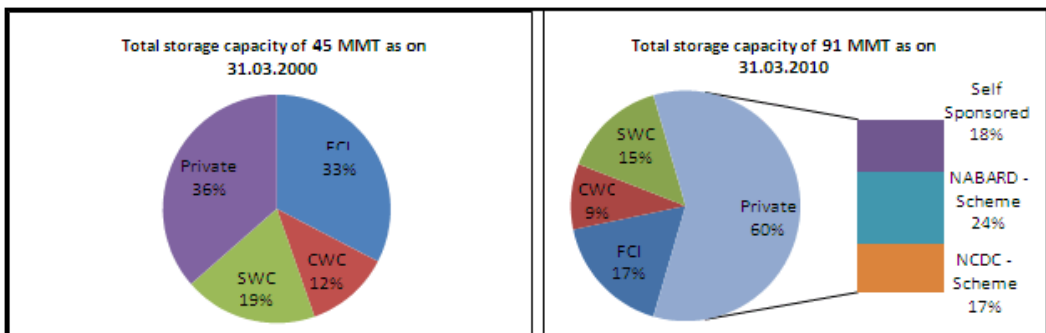
i) Opportunities

Agri warehousing has got momentum and Company is visualizing a vast scope in this field. In order to keep in pace with these opportunities and explore the synergies Company has decided to De-merge its warehousing division. 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.

Due to insufficiency of covered storage capacity of food grains, which was around 47.55 MMT as on March 31, 2000 and due to progressively increasing government stocks, considerable amount of food grains had to be stored under open Cover and Plinth (CAP) storage and to an extent in hired capacities, mainly during the year 2000 to 2003. The years from 2007-08 saw highest ever levels of procurement of food grains by Government agencies, resulting in severe strain on the available storage capacities. Higher minimum support price (MSP), better reach and consequent higher procurement helped ensure better and remunerative prices to farmers. However, it caused strain on available storage capacities with the State agencies involved in procurement.

Before 2000, private sector interest in warehousing industry was low due to its capital intensive nature and high uncertainty over revenue generation.

The chart below indicates the total storage capacity in the country and the ownership distribution as on two different dates with a period of 10 years:



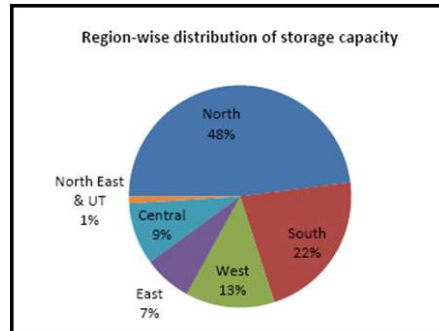
As evident from the chart above, private sector interest in warehousing industry picked up after the "Rural Godown Scheme" was introduced in year 2001-02 under National Bank for Agriculture and Rural Development (NABARD) and National Cooperative Development Corporation (NCDC).

The warehousing capacity built over past 10 years, especially those sanctioned by NABARD have an average storage capacity per warehouse of 1,261 metric tonne (MT) and around 75% of numbers of godowns have capacity of less than 1,000 MT. The development of small and medium godowns indicates that most of them have been built by farmers or a community of farmers thus ensuring that distress sale is reduced and better prices are paid to farmer for their produce.

Apart from this there are few large national level players which have emerged over the last decade owing to the available capital subsidy. These include National Bulk Handling Corporation Ltd., National Collateral Management Services Ltd., Adani Agri Logistics, Star Agriwarehousing & Collateral Mangement Ltd., Shree Shubham Logistics Ltd., Ruchi Infrastructure Ltd., Guru Warehousing Corporation, Paras Warehousing and LTC Commercial.

Regional Imbalance:

The storage capacity in India is mainly concentrated towards production centres as indicated by the graph below:



Only 22% of total storage capacity is available in the major consumption states. Even some of the states have got storage capacities of less than one month of their requirement. While obvious factors like proximity to the major mandis in the state, differences in the quantities of food grain and pulses produced within the state, etc. are the major causes behind the regional imbalances, other key factors like the extent of interest and initiative shown by bank officials in promoting the concept of rural godowns to local entrepreneurs, publicity and awareness created about the scheme at the local level, etc. also played a major role behind these regional imbalances. In short, dominant producers of food grain and related agricultural products comprise the majority of godowns and storage capacity.

Regulator for warehousing:

With a view to increase the participation of private sector and development & regulation of warehousing industry, Government of India introduced 'The Warehousing (Development and Regulation) Act' in September 2007. The main focus of this Act is to establish a regulated environment for issuance of Negotiable Warehouse Receipt (NWR) under Warehousing Development and Regulatory Authority (WDRA) which was constituted in October 2010 under the said Act. The functions of WDRA include registration and accreditation of warehouses intending to issue NWR. WDRA, since inception had granted accreditation to 51 applications out of 300 applications submitted as on March 31, 2011.

Capacity of warehouses to be built:

Though the storage capacity has increased at a CAGR of 6.7% during the last decade till March 2010, the irony remains that around 20-30% of the total food grain harvest is wasted due to lack of availability of storage capacity, regional imbalance in warehouses, lack of adequate scientific storage and inefficient logistic management in the country.

In order to balance food grain production to consumption (for both Kharif and Rabi crops), a total peak storage capacity required works out to be around 70% of annual production.

ii) Threats

The success of agri warehousing projects totally depend on Govt. policy towards warehousing, agricultural production and procurement policy. Govt. of India has been encouraging the private players to construct more warehouses by offering subsidies, tax incentives etc. More over, soft loans are available to develop agri-warehousing projects. Any change in the Govt. policy will have an automatic impact in the sector. Food grain (mainly wheat & rice) is the main commodity stored, while the other major crops storable

in the godowns include oilseed, spices and cotton. Though the government has started focusing on building storage capacity through various schemes, the focus is still largely on the storage of wheat and rice which are considered as staple food in the country. Also due to the existing regional imbalance the government's capacity to procure produce is limited outside Northwest India, which has recently led to fall in wheat prices and compelled the farmers to sell their produce below its MSP. With all these issues, much needs to be done to build additional storage capacity, renovate existing warehouses and implement a robust system of NWR to make available more funds to farm producers and simultaneously provide security to the lenders.

Further, 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.
- Processing Agri Products.
- Services
- Rental services.

(ii) The Geographical segments considered for disclosure are:

- Sales within India
- Sales outside India

The segment wise financial details are given in Notes 21 in notes on accounts under the head Segment Reporting.

D. Outlook

Keeping in view the rural development and need for storage, infrastructural needs to bring in efficiencies in the commodity value chain and linkage between the points of production and consumption with minimal wastage, the Government has accorded priority in framing appropriate policies and providing support mechanism for developmental activities in this regard. Also, the increasing volumes of global trade entail a strong demand for growing storage infrastructure needs. The long term potential for growth in this sector is, therefore, promising and the demand for storage infrastructural requirements is likely to grow in future. Thus the size and steady growth of warehouse requirement in India offer great potential for the company to proactively adopt strategies to sustain leadership position in the Industry. 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.

Further, 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. Business Strategy

The demand for storage facilities at production centres for storage of food grains has been growing. Your Company has been developing storage facilities in these locations, strategically placed to cater the requirements. Our storage facilities are well connected to highways to enable smoother transportation. Keeping in view good demand for storage facilities, your Company is examining the possibilities of expanding the capacities at the existing locations and /or exploring in new locations to cater to the growing requirements. Having established ourselves as one of the major players in offering state of the art agri warehousing storage facilities in Bundi, Rajasthan, we are also examining the possibility of further extension into other states and diversification into value added services to deepen and widen our business areas and presence to strengthen our leadership position.

F. 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 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.

Government policies

Government Policies play an important role in the business of your Company. However, the policies announced by the Government have been progressive and are expected to remain so in future considering various factors including the infrastructural needs, demand-supply gap, inflation, economic growth and equitable view towards various stakeholders.

G. Internal Control Systems and their adequacy

The Company continues to recognize the importance of risk management. Systems have been put in place at all levels to ensure optimum usage of resources and to minimize risks across all activities undertaken by the Company. The internal control systems are designed to ensure the safety of all assets of the Company and to ensure that all transactions are carried out as per the documented policies, guidelines and procedures. The management reviews the potential risk factors on an ongoing basis and appropriate measures are taken to mitigate the risks. 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.

ENERGY CONSERVATION

Average rate of consumption of fuel was low during the year in the unit of the Company located at Bundi, Rajasthan.

G. Discussions on financial performance with respect to operational performance

(Rupees in Lacs)

| Description | 2012-2013 | 2011-2012 |
|---------------------------|---------------|-----------|
| Sales & Services | 429.79 | 864.37 |
| Other Income | 41.83 | 46.51 |
| Profit before Tax | 58.38 | 231.27 |
| Profit / (Loss) after Tax | 42.28 | 67.70 |

During the period under review, the Company's income from sales & Services stood at Rs. 429.79 Lacs as compared to Rs. 864.37 Lacs in 2011-12. Your Company has achieved Profit before Tax of Rs. 58.38 Lacs as compared to Rs. 231.27 Lacs showing the decrease in profit by Rs. 172.89 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 May, 2013

RASHMI BHIMJYANI
Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

R.T. Exports Ltd. ('the Company') continues to raise standards of corporate governance to keep in pace with the maturing corporate environment. The Company believes in a corporate governance philosophy which stems from the belief that timely disclosures, transparent accounting policies and a strong and independent Board go a long way preserving shareholders trust while maximizing long-term corporate value. The salient features of the philosophy on Company's Corporate Governance hinges upon transparency and ethical practices in professional working environment conducive to optimal performance with focus on achieving stakeholder's long term value growth through constant innovation, commitment to quality and customer satisfaction whilst exploring new avenues of growth. This is ensured by taking ethical business decisions and conducting business with firm commitment to values while meeting stakeholders expectations.

Considering the Company's size and nature of operations, over the years Board has developed Corporate Governance guidelines to help fulfil our corporate governance responsibility towards our stakeholders. These guidelines ensure that the Board will have necessary authority and processes in place to review and evaluate our operations when required. Further, these guidelines allow the Board to make decisions that are independent of management. The Board may change these guidelines as and when required to achieve the stated objectives. The guidelines are based on the following main principles:

- Composition and size of the Board is appropriate, with each Director bringing in key expertise in different areas.
- Flow of information is proactive to the members of the Board and Board Committees to enable effective discharge of fiduciary duties
- Code of Ethical Conduct by the Board, management and employees.
- Properly developed systems and processes for internal controls on all operations, risk management and financial reporting.
- Accurate and timely disclosure of all material operational and financial information to the stakeholders.

Corporate Governance of listed companies has been regulated through Clause 49 of the Listing Agreement by the Securities and Exchange Board of India (SEBI). R.T. Exports Ltd. is in full compliance with Clause 49. This chapter of the annual report, the information given under the chapters, Management Discussion and Analysis and Additional Shareholders' Information together constitute the compliance report of the Company on corporate governance during the year 2012-13.

BOARD OF DIRECTORS

a) Size, Composition and category of Directors

The current policy is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board, and separate its functions of governance

and management. The composition of the Board of Directors of the Company is in conformity with the Code of Corporate Governance under Listing Agreement with Bombay Stock Exchange. As on 31st March, 2013, the Board had 4 members, out of which 2 were Executive Director and 2 were Non - Executive Directors who bring in a wide range of skills and experience to the Board. The gap between any two meetings did not exceed four months The Directors have expertise in the fields of strategy, management, finance, operations, technology, human resource development and economics. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

Each Director informs the Company on an annual basis about the Board and Board Committee positions he / she occupies in other companies including Chairmanships and notifies changes during the term of their directorship in the Company.

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.

None of the Non-Executive Independent Directors have any pecuniary relationship or transactions with the Company, its promoters, its senior management or its subsidiaries which in the judgement of Board may affect the independence of the Director.

Table No. 1

| Name of Director | Designation | Category | |
|----------------------|------------------------------|----------------------------|-------------------------------|
| | | Executive / Non- Executive | Independent / Non-Independent |
| Mr. Rashmi Bhimjyani | Chairman & Managing Director | Executive | Non - Independent |
| Mr Bhavik Bhimjyani | Director | Executive | Non - Independent |
| Mr Yogesh Dawda | Director | Non - Executive | Independent |
| Mr. Sheetal Mehta | Director | Non - Executive | Independent |

b) Board Meetings

The Company plans and prepares the schedule of the Board and Board Committee meetings in advance to assist the Directors in scheduling their program. The schedule of meetings and agenda for meeting is finalized in consultation with the Directors of the Company. The agenda of the meeting is pre-circulated with presentations, detailed notes, supporting documents and executive summary.

Under Indian laws, the Board of Directors must meet at least four times a year, with a maximum time gap of four months between two Board meetings. R.T. Exports Ltd's Board met 7 (seven) times during the financial year under review: May 15, 2012, June 25, 2012, August 14, 2012, August 30, 2012, November 09, 2012, February 13, 2013 and March 13, 2013.

The Company held a minimum of one Board meeting in each quarter as required under the Companies Act, 1956.

Details of Directors and their attendance in Board meetings and Annual General Meeting are given in Table 2 hereunder.

The Board has updated on the discussion at the Committee Meetings and the recommendations through the Chairman of the respective Committee.

Details of Board Meetings held and the dates on which held during the financial year 2012-13:

Table No. 2

| Name of Directors | Rashmi Bhimjyani | Bhavik Bhimjyani | Yogesh Dawda | Sheetal Mehta |
|------------------------|------------------------------|--------------------|----------------------|---------------|
| Designation | Chairman & Managing Director | Executive Director | Independent Director | |
| Date of Board Meeting | | | | |
| May 15, 2012 | P | P | P | P |
| June 25, 2012 | P | P | P | P |
| August 14, 2012 | P | P | P | P |
| August 30, 2012 | P | P | P | P |
| November 09, 2012 | P | P | P | P |
| February 13, 2013 | P | P | P | P |
| March 13, 2013 | P | P | P | P |
| Attendance at Last AGM | P | P | P | P |

The time gap between any two meetings did not exceed four months. The information as prescribed under clause 49 of the Listing Agreement was placed before the Board from time to time, as required.

C) Discussion with independent directors:

The Boards policy is to regularly have separate meetings with independent Directors, up to date them on all business related issues and new initiatives. In addition, our independent directors meet periodically.

d) Details of Directorships and Membership / Chairmanship of each Director (including R. T. Exports Limited):

| Sr.No | Name of the Director | Category of Director (Relationship with other Directors) | No. of Directorships in other Cos. (Chairman/ members)* | Committees Memberships (Chairman/ members)** |
|-------|-------------------------|--|---|--|
| 1 | Mr. Rashmi Bhimjyani | Chairman | 1 | 2 |
| 2 | Mr. Bhavik R. Bhimjyani | Non-Independent | 1 | 2 |
| 3 | Mr. Yogesh Dawda | Independent | 1 | 1 |
| 4 | Mr. Sheetal Mehta | Independent | 1 | 2 |

* The Directorships held by Directors as mentioned above do not include Alternate Directorships and Directorships of Foreign Companies, Private Limited Companies and Companies incorporated Under Section 25 of the Companies Act, 1956.

** In accordance with Clause 49 of the Listing Agreement, Memberships / Chairmanships of only Audit Committees and Investor Grievance / Shareholders Committee, Remuneration Committee of all Public limited Companies (including R. T. Exports Limited) have been considered.

e) Brief Profiles of Directors to be reappointed at the Annual General Meeting:

Mr. Yogesh Dawda is a Graduate from Mumbai University. He has 35 years of experience in the field of Exports, logistics etc.

Shareholding of non-executive directors as stated in Clause 49 (IV) (E) (v) above:nil

f) Code of Conduct:

The Board of Directors of the Company has approved and adopted code of conducts for Members of the Board of Directors and senior management of the Company. The Code is circulated to all the members of the Board and Senior management personnel and the compliance of the same is affirmed by them annually.

Code of Conduct for all Board members & Senior Management has been posted on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct. The Managing Director has also confirmed and certified the same. The Certificate is enclosed at the end of this Report.

Declaration

As provided under clause 49 of the Listing Agreement with the Bombay Stock Exchange, I affirm that the Board Members and the Senior Management Personnel have confirmed compliance with code of conduct as applicable to them, for the year ended 31st March, 2013

30th May, 2013
Mumbai

Rashmi Bhimjani
Chairman & Managing Director

BOARD COMMITTEES

Currently the Board has 2 committees: the audit committee, Investors' Grievance Cum Share Transfer Committee. The Chairman of the Board in consultation with Committee chairman, determines the frequency and duration of committee meetings. The quorum of the meetings is either two members or one third of the total members of the committee, which ever is higher.

a) Audit Committee

The Company is listed in Bombay Stock Exchange and as per clause 49 of the listing agreement makes it mandatory for the listed companies to adopt an appropriate Audit Committee.

Objective:

The Objective of Audit Committee is to keep vigil on management's financial reporting process with a view to ensure timely and transparent disclosure in the financial statements. The terms of reference of the Committee are extensive and include all the requirements as mandated in clause 49 of the Listing Agreement read with section 292A of the Companies Act, 1956. The role of Audit Committee includes overseeing and monitoring the financial

reporting system within the company and considering/ reviewing un-audited and audited financial results, as may be applicable, for the relevant quarters and year before being adopted by the Board. The Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliances with the legal and regulatory requirements. The Committee has to oversee the audit of the Company's Financial Statements, the appointment, independence and performance of internal auditors and the Company's risk management policies.

Composition:

The Company's, Audit Committee presently comprises of three members out of which two are independent Directors.

- Mr. Sheetal Mehta - Chairman (Independent)
- Mr. Bhavik Bhimjyani - Member (Non-Independent)
- Mr. Yogesh Dawda - Member (Independent)

Meetings:

During the year under review, Five (5) meetings of the Audit Committee were held on May 15, 2012, August 14, 2012, August 30, 2012, November 09, 2012, and February 13, 2013.

Attendance of each Member at the Audit Committee Meetings held during the year

| Name of Committee Member | Designation | No. of Meetings Held | No. of Meetings Attended |
|--------------------------|----------------------------------|----------------------|--------------------------|
| Mr. Sheetal Mehta | Chairman, Independent Director | 5 | 5 |
| Mr. Bhavik Bhimjyani | Member, Non-Independent Director | 5 | 5 |
| Mr. Yogesh Dawda | Member, Independent Director | 5 | 5 |

Mr. Sheetal Mehta, chairman of the Audit Committee was present at the last Annual General Meeting.

Terms of References:

The terms of reference stipulated by the Board of Directors to the Audit committee are as contained under Clause 49 of the Listing Agreement and all the members of the Audit Committee have financial and accounting knowledge.

Powers of the Audit Committee are as under:

i) Powers of the Committee

The primary objective of Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting.

The Committee has vested with the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advise.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Other powers as may be mandated by any Law for time being force or as per Listing Agreement.

ii) Functions of Committee.

The Committee shall function primarily in the following roles:

1. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit Findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors on any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of Concern.
11. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

b) Remuneration to Directors:

No remuneration is being paid to Mr. Rashmi Bhimjyani, Managing Director of the Company. No remuneration is paid to any of the Directors by way of commission.

c) Investors' Grievance Cum Share Transfer Committee Composition:

Investors' Grievance cum Share Transfer Committee of the Board presently comprises of 3 members out of which one director is independent non-executive director, viz., Mr. Sheetal Mehta and other members are Mr. Rashmi Bhimjyani and Mr. Bhavik Bhimjyani.

Objectives:

The objective of the Shareholders Grievance Committee is to review and address the grievances of the Shareholders in respect of share transfers, transmissions, non-receipt of annual report, non-receipt of declared dividend etc., and other related activities. The Committee oversees performance of the Registrar and Transfer Agents of the Company, and recommends measures for overall improvement in the quality of investor services. The Committee also monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

Meetings:

During the year under review, five (5) meetings of the Investors' Grievance Committee were held on May 15, 2012, August 14, 2012, August 30, 2012, November 09, 2012 and February 13, 2013

Attendance of each Member at the Investors' Grievance Committee held during the year:

| Name of Committee Member | Designation | No. of Meetings Held | No. of Meetings Attended |
|--------------------------|-----------------------------------|----------------------|--------------------------|
| Mr. Sheetal Mehta | Chairman, Independent Director | 5 | 5 |
| Mr. Bhavik Bhimjyani | Member, Non- Independent Director | 5 | 5 |
| Mr. Rashmi Bhimjyani | Member, Non- Independent Director | 5 | 5 |

The terms of reference are to review and redress the shareholder's and Investor Grievances and queries in relation to transfer of shares, non-receipt of Balance Sheets, declaration of dividends, approval of subdivision, consolidation, transmission and issue of duplicate shares.

Investor Grievance Redressal

Number of Complaints received and resolved to the satisfaction of Investors during the year under review and their break-up are as under:-

| Nature of Complaints | Received | Resolved |
|--|----------|----------|
| De-mat/Transfer/Non-Receipt of Dividend/Interest/ Redemption Warrant | 1 | 1 |
| Total: | 1 | 1 |

There were no outstanding complaints as on 31 March 2013.

Compliance Officer

| | |
|--------------------------------|---|
| Name of the Compliance Officer | Mr. Bhavik R. Bhimjyani |
| Address | 508, Dalamal House, Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400 021 |
| Contact No. | +91 22 22840000 |
| E-mail | "compliance@rtexports.com" |
| Fax | +91 22 66307000 |

| Sr.No. | Name of Director | Last AGM attended - 30.09.2012 |
|--------|----------------------|--------------------------------|
| 1 | Mr. Rashmi Bhimjyani | Yes |
| 2 | Mr. Bhavik Bhimjyani | Yes |
| 3 | Mr. Yogesh Dawda | Yes |
| 4 | Mr. Sheetal Mehta | Yes |

No Ordinary or Special resolution was passed through postal Ballot during Financial year 2012-13. None of the resolutions proposed at the ensuing Annual General Meeting needs to be passed by Postal Ballot.

Insider Trading:

The Company has adopted code of conduct for prevention of Insider Trading pursuant to the Insider Trading Regulations as amended from time to time issued by SEBI. The code of conduct is applicable to all Directors and key Management Personnel of the Company who are expected to have access to information related to the Company which can have impact on the prices of the shares of the Company.

Details of past three years Annual General Meetings (AGM) and Extra - ordinary General Meeting(EOGM):

i. Location, place and time where the meetings were held:

| Year | Venue/Location | Day & Date | Time |
|------|---|-----------------------------------|----------|
| 2012 | 508, Dalamal House J. B. RoadNariman Point Mumbai - 400 021 | Friday 28th September, 2012 | 10.00 AM |
| 2011 | 508, Dalamal House J. B. RoadNariman Point Mumbai - 400 021 | Friday, 30th September, 2011 | 10.00 AM |
| 2010 | 508, Dalamal House J. B. RoadNariman Point Mumbai - 400 021 | Thursday, 23rd September, 2010 | 11.30 AM |

- ii. Whether any special resolutions passed in the previous 3 AGMs and EOGM?
No, Special Resolution was passed in the last 3 AGMs
- iii. Any special resolutions were put through Postal ballot last year:
No, Special Resolution was put through postal ballot in the last AGM.

- iv. Persons who conducted the Postal Ballot exercise: Not Applicable.
- v. Procedure for Postal Ballot.: Not Applicable

OTHER DISCLOSURES

● Related Party Transactions

The company follows the following policy in disclosing the related party transactions to the Audit Committee:

- i A statement in summary form of transactions with related parties in the ordinary course of business is placed before the Audit Committee.
- ii Details of material individual transactions with related parties which are not in the normal course of business is placed before the Audit Committee.
- iii Details of material individual transactions with related parties or others, which are not on an arm's length basis is placed before the Audit Committee, together with Management's justification for the same.

There were no transactions of a material nature with the directors or the management, the Company's subsidiary or relatives of the directors during the financial year which could have potential conflict with the interest of the Company at large. Necessary disclosures in regard to the Transactions with related parties have been made in the Financial Statements under Notes to Accounts - "Related Party Transactions".

● Financial Statements and Accounting Treatment

The Company has followed all applicable Accounting Standards. The management reviews the Accounting treatments adopted and wherever deviations noted, will be presented in the Financial statements.

● Risk Management

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

● Compliances by the Company

There were no instances of non compliance by the Company on any matters related to the capital markets or penalties/strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three financial years.

● Whistle Blower Policy and Access of personnel to the Audit Committee

The Company has not established the non mandatory requirement of Whistler Blower Policy. However, the Company's personnel have access to the Chairman of the Audit Committee in cases such as concerns about unethical behaviour, fraud and other grievances. No personnel of the Company have been denied access to the Audit Committee.

Compliances with the Mandatory requirements and implementation of the Non - mandatory requirements:

The Company has complied with the mandatory requirements of the Corporate Governance clause 49 of the Listing Agreement. The Company has not implemented the non - mandatory requirements enlisted by way of annexure to clause 49 of the Listing agreement.

- **Management Discussion and Analysis Report**

A management Discussion and Analysis report forms part of the Annual Report and includes discussion on various matters specified under Clause 49IV(F) of the Listing Agreement. The said report is appearing elsewhere in the Annual Report.

- **Report on Corporate Governance**

Your Company complies with the revised Clause 49 of the Listing Agreement which is in force and amended from time to time. As required by Clause 49 of the Listing Agreement with Stock Exchange, a certificate issued by Ms. Ruchika Shah, Practising Company Secretary, regarding compliance norms is given as an annexure to this report.

- **CEO/CFO Certification**

Mr. Rashmi Bhimjyani, Managing Director and Mr. Rajesh Pillai CFO have given CEO/CFO certificate to the Board. The Board noted the said CEO/CFO certificate as per the format given under clause 49(v) at its meeting.

- **Means of Communication**

The Company regularly intimates its financial results to the Stock Exchanges as soon as these are taken on record /approved. The financial results, quarterly, half yearly and Annual results and other Statutory information were communicated to the shareholders by way of an advertisement in Financial Express (English) and Apla Mahanagar (Marathi local) having wide circulation.

Management Discussions and Analysis Report forming part of Annual Report are annexed separately.

General Shareholders Information

- **Next Annual General Meeting**

Day & Date : Monday, 15th July, 2013

Time : 10.00 a.m.

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

- **Financial Calendar for 2013-2014 :- (Tentative dates)**

Financial year: April 01, 2013 to March 31, 2014

- Un-audited results for the quarter ended 30th June 2013 -- Fourth week of July, 2013
- Un-audited results for the quarter/half Year ending 30th September 2013 -- Third week of October, 2013
- Un-audited results for the quarter ending 31st December 2013 -- Third week of January, 2014
- Audited results for the year ending 31st March 2014 - Third week of May, 2014
- Annual General Meeting for the year ending 31st March 2014 - July 2014

- **Book Closure date:**

The Company's Register of Members and Share Transfer Books will remain closed from Monday, 8th July, 2013 to Monday, 15th July, 2013 (both days inclusive).

Registered Office: 508, DALAMAL HOUSE, JAMNALAL BAJAJ MARG,
NARIMAN POINT, MUMBAI- 400 021.
TEL: (91-22) 2284 0000
FAX: (91-22) 6630 7000

- **Listing**

The Company's equity shares are listed at the following Stock Exchange:

- 1) **The Stock Exchange, Mumbai (BSE)**

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.
Ph: +91 -22 - 22721233
Fax: +91 - 22 -22723677

- 2) **Scrip Information:**

| Name of the Exchange | Trading Symbol/Code |
|----------------------------------|---------------------|
| The Stock Exchange, Mumbai (BSE) | 512565 |
| ISIN Demat | INE 581D01015 |

- 3) The Company has depository connectivity with NSDL & CDSL and has paid Annual Custody Fees for the financial year 2013-2014.

- 4) The Company has paid Annual Listing Fees for above Stock Exchange for the financial year 2013-2014.

- **Stock Market Price data:**

| Month | High (Rs.) | Low (Rs.) | BSE Sensex | |
|----------------|------------|-----------|------------|----------|
| | | | High | Low |
| April 2012 | 20.00 | 15.20 | 17664.10 | 17010.16 |
| May 2012 | 19.95 | 16.80 | 17432.33 | 15809.71 |
| June 2012 | 20.60 | 17.90 | 17448.48 | 15748.98 |
| July 2012 | 20.00 | 17.65 | 17631.19 | 16598.48 |
| August 2012 | 20.00 | 18.55 | 17972.54 | 17026.97 |
| September 2012 | 20.00 | 18.90 | 18869.94 | 17250.80 |
| October 2012 | 20.00 | 18.10 | 19137.29 | 18393.42 |
| November 2012 | 20.00 | 19.00 | 19372.70 | 18255.69 |
| December 2012 | 19.20 | 15.30 | 19612.18 | 19149.03 |
| January 2013 | 23.00 | 19.05 | 20203.66 | 19508.93 |
| February 2013 | 23.10 | 20.50 | 19966.69 | 18793.97 |
| March 2013 | 22.50 | 18.25 | 19754.66 | 18568.43 |

- **Shareholding Pattern as on 31 March, 2013**

| Category | No. of Shareholders | No. of Shareholders | % of Shareholding |
|------------------------------|---------------------|---------------------|-------------------|
| Promoters | 6 | 28,82,287 | 66.12 |
| Mutual Funds / UTI | 2 | 300 | 0.006 |
| Banks/ Financial institution | 1 | 500 | 0.01 |
| Bodies Corporate | 39 | 76,375 | 1.75 |
| Indian Public | 1,966 | 7,76,457 | 17.81 |
| HUF | 7 | 4,555 | 0.10 |
| NRIs | 204 | 60,780 | 1.39 |
| NRN | 9 | 5,550 | 0.13 |
| Foreign Company | 1 | 5,50,000 | 12.62 |
| Other Clearing member | 4 | 2,196 | 0.05 |
| Market Maker | 0 | 0 | 0.00 |
| | 2,239 | 43,59,000 | 100 |

- **Distribution Schedule as of 31 March 2013:**

| Distribution | No. of Shareholders | No. of Shares | % of Shareholding |
|---------------|---------------------|----------------|-------------------|
| Less than 500 | 2027 | 269134 | 6.17 |
| 501 -1000 | 107 | 86009 | 1.97 |
| 1001-2000 | 56 | 89211 | 2.05 |
| 2001-3000 | 14 | 37431 | 0.86 |
| 3001-4000 | 7 | 23749 | 0.54 |
| 4001-5000 | 5 | 22118 | 0.51 |
| 5001-10000 | 10 | 66711 | 1.53 |
| 10001 & above | 13 | 3764637 | 86.37 |
| Total | 2239 | 4359000 | 100.00 |

- **Registrar & Share Transfer Agents:**

In order to attain speedy processing and disposal of share transfer and other allied matters, the Board has appointed M/s Link Intime (India) Private limited as the Registrar and Share Transfer Agents of the Company. Their Correspondence address is as follows:

M/s. Link Intime India Private Limited (Previously known as Intime Spectrum Registry Limited) (Unit - R. T. Exports Limited), C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup - West, Mumbai - 400 078, Ph : 022 - 2596 3838 Fax : 022 - 2594 6969

- **Share Transfer System:**

The trading in Equity shares of the Company being in compulsory demat form are transferable through depository system. The share in physical form are processed by the Registrar and Transfer Agents and approved by the investors' Grievance Cum Share Transfer Committee.

The applications for transfer of shares held in physical form are received at the office of the Registrar and Share Transfer Agents of the Company. All valid transfers are processed within 30 days from the date of lodgment.

On 31 March 2013 there was no unprocessed transfer pending.

- **ECS Mandate**

To service the investors better, the Company requests all the shareholders who hold shares in dematerialized form to update their bank particulars with their respective depositories immediately. Shareholders holding shares in the physical form may kindly forward the bank particulars to our Registrars to the address mentioned above.

- **Dematerialization of shares and liquidity**

As at 31st March, 2013, 82.95 % of shareholding was held in dematerialized form with NSDL and CDSL, while 17.05 % was held in physical form.

- **Outstanding GDRs/ADRs/Warrants**

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments, as on 31st March, 2013, likely to have an impact on the Equity Share Capital of the Company.

- **Investor Correspondence:**

| | |
|---|--|
| Registrar and transfer Agent (Share transfer and communication regarding share certificates and change of address. | Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078 |
| Compliance Officer | Bhavik R. Bhimjyani, 508, Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai - 400 021. Tel : 9122 22840000 Fax : 9122 66307000 Email :- "compliance@rtexports.com |

For and on behalf of the Board

Place: Mumbai
Date: 30th May, 2013.

Rashmi Bhimjyani
Chairman & Managing Director

CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY

We, Rashmi Bhimjyani, Managing Director and Rajesh Pillai, Chief Financial officer of **R. T. Exports Limited** certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2013 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or volatile of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- (d) During the year:
 - (i) there have been no significant changes in internal control over financial reporting;
 - (ii) there have been no significant changes in accounting policies and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there have been no instances of significant fraud of which we are aware that involve management or other employees having a significant role in the company's internal control system over financial reporting.

Rashmi Bhimjyani
Managing Director

Rajesh Pillai
Chief Financial Officer

Place: Mumbai

Date : 30th May, 2013

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

(Under Clause 49 of the Listing agreement)

To the Members

R T EXPORTS LIMITED

I have examined the compliance of conditions of Corporate Governance by R T Exports Limited for the year ended 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to best of my information and according to the explanations given to me and based on the representations made by the Directors and the Management. I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements.

I state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Share Transfer and Shareholders/ Investors Grievance Committee.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Ruchika Shah
Practicing Company Secretary
CP No. 10671 (ACS 29160)

Place: Mumbai

Dated: 30th May, 2013

INDEPENDENT AUDITOR'S REPORT

To,
The members of R.T.Exports Limited

Report on the Financial Statements

We have audited the accompanying financial statements of R.T Exports Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **RAMESH M. SHETH & ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN 111883W

MEHUL R SHETH
PARTNER
M. NO. 101598

Place: Mumbai
Date : 30th May, 2013

ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF R. T. EXPORTS LIMITED (THE COMPANY)

1. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, the Company has formulated a programme of physical verification of all the fixed assets. The fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a. The Company does not have any Inventories during the year and hence para 2 is not applicable.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - a. The Company has granted unsecured loan to one party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was ₹ 2771.70 lakhs and year-end balance of such loan was ₹ 2659.95 lakhs.
 - b. In absence of any terms and conditions hereto we are unable to comment whether the rate of interest and repayment of principal amount is prima facie prejudicial to the interest of the Company.
 - c. The maturity of principal amount is of future date and hence regularity of repayment is not commented upon.
 - d. In absence of any terms and conditions we are unable to comment whether there is any overdue recovery amount of principal and interest exceeding ₹ one lakh.
 - e. The Company has taken loans from two parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was ₹ 1178.20 lakhs and year-end balance of such loan was ₹ 8581.97 lakhs.
 - f. In absence of any terms and conditions hereto we are unable to comment whether the rate of interest and repayment of principal amount is prima facie prejudicial to the interest of the Company.
 - g. In absence of any terms and conditions we are unable to comment whether the payment of principal amount and interest thereon is regular.
4. The Company has adequate Internal Control Procedure commensurate with the size of the Company and the nature of business, for the purchase of inventory, fixed assets and for the sale of goods.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - a. In our opinion and according to the information and explanation given to us there are no transactions made pursuance to the contract or arrangement that needed to be entered into the register maintained under Section 301 of the Companies Act, 1956.
 - b. Since there are no transactions made in pursuance to the contract or arrangement required to be entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding ₹ 5 lacs in respect of any party during the year, this para is not applicable.

6. The Company has not accepted any deposits from the public.
7. There is no internal audit system commensurate with the size and nature of its business.
8. The Company is not into production, processing, manufacturing or mining business and hence para 4(viii) of the said Order is not applicable.
9. In respect of statutory dues:
According to the records of the Company, the Company has deducted Provident Fund and Profession tax and the same has normally paid in time. Other statutory dues like Investor Education and Protection Fund and Employees' State Insurance are not applicable. There are no undisputed dues pending in respect to Income-tax, Wealth tax, Customs Duty, Excise Duty, Cess and other statutory dues except ₹ 77.44 lakhs of undisputed amount in respect to Service tax, ₹ 6,625/- in respect to VAT and ₹ 39,000/- in respect to Works Contract tax.
Subject to foregoing as per the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2013 for a period of more than six months from the date of becoming payable.
10. The Company has not incurred any cash losses during the financial year covered by our audit and also in the immediately preceding financial year and there are no accumulated losses in the balance sheet as on 31st March 2013.
11. The Company has obtained loans from banks and is regular in repayment of dues.
12. In our opinion and according to the information and explanation given to us, loans and advances have been granted during the year by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. The Company has not transacted in shares and securities and hence this para is not applicable.
15. The Company has not given any guarantees for loans taken by others from banks or financial institutions and hence para 4(xv) of the Order is not applicable.
16. The Company has raised term loan during the year from bank and financial institution. The Company has not defaulted in repayment of the term loan so obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized any short term funds for long term and vice versa.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures and hence this para is not applicable.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For **RAMESH M. SHETH & ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN 111883W

MEHUL R SHETH
PARTNER
M. NO. 101598

Place: Mumbai
Date : 30th May, 2013

| R.T.EXPORTS LIMITED | | | |
|---|------|---|----------------------------|
| BALANCE SHEET AS AT 31st March, 2013 | | | |
| | NOTE | As at 31.03.2013 Rs. | As at 31.03.2012 Rs. |
| I. EQUITY & LIABILITIES | | | |
| Shareholders' Funds | | | |
| (a) Share Capital | 2 | 193,131,500 | 193,131,500 |
| (b) Reserves and Surplus | 3 | 73,688,404 | 68,927,006 |
| | | 266,819,904 | 262,058,506 |
| Non-Current Liabilities | | | |
| (a) Long - term Borrowings | 4 | 117,701,471 | 16,375,154 |
| (b) Defereed tax liabilities(Net) | 5 | 12,236,901 | 11,726,804 |
| (c) Other Long-term Liabilities | 6 | 9,578,012 | 9,578,012 |
| (d) Long - term Provisions | 7 | 475,225 | 549,683 |
| | | 139,991,609 | 38,229,653 |
| Current Liabilities | | | |
| (a) Short - term borrowings | 8 | 2,817,170 | 511,682 |
| (b) Trade Payables | 9 | 34,504,861 | 2,295,635 |
| (c) Other Current Liabilities | 10 | 14,043,253 | 5,812,652 |
| (d) Short-term Provisions | 11 | 8,986 | 10,189 |
| | | 51,374,270 | 8,630,158 |
| TOTAL | | 458,185,783 | 308,918,317 |
| II. ASSETS | | | |
| Non-Current Assets | | | |
| (a) Fixed Assets | 12 | | |
| (i) Tangible Assets | | 74,714,508 | 56,006,113 |
| (ii) Capital Work-in-Progress | | 38,476,906 | 10,485,116 |
| (b) Non-Current Investments | 13 | 71,700 | 73,700 |
| (c) Long-term Loans and Advances | 14 | 274,858,216 | 199,046,970 |
| (d) Other Non-Current Assets | 15 | 25,757 | 10,751 |
| | | 388,147,087 | 265,622,650 |
| Current Assets | | | |
| (a) Inventories | 16 | - | - |
| (b) Trade receivables | 17 | 1,064,795 | 17,455,306 |
| (c) Cash and cash equivalents | 18 | 10,964,561 | 25,455,743 |
| (d) Short-term loans and advances | 19 | 58,009,340 | 289,600 |
| (e) Other current assets | 20 | - | 95,018 |
| | | 70,038,696 | 43,295,667 |
| TOTAL | | 458,185,783 | 308,918,317 |
| Notes forming part of Financial Statements | 1-37 | | |
| As per our report of even date For Ramesh M Sheth and Associates Chartered Accountants FRN 111883W Mehul R Sheth Partner Membership No. 101598 Place: Mumbai Date: 30th May, 2013 | | For and on behalf of the Board RASHMI BHIMJYANI Chairman & Managing Director YOGESH DAWDA Director Place: Mumbai Date: 30th May, 2013 | |

R.T.EXPORTS LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st March' 2013

| | NOTE | As at 31.03.2013 Rs. | As at 31.03.2012 Rs. |
|--|------|----------------------------|----------------------------|
| I. Revenue from Operations | 21 | 42,978,858 | 86,437,523 |
| II. Other Income | 22 | 4,183,058 | 4,651,196 |
| Total Revenue | | 47,161,916 | 91,088,719 |
| III. Expenses : | | | |
| (a) Purchases of Stock in Trade | 23 | - | 33,394,749 |
| (b) Changes in Inventories of Finished Goods | 24 | - | 7,200,189 |
| (c) Employee Benefits Expense | 25 | 8,060,984 | 4,830,615 |
| (d) Finance Cost | 26 | 5,093,568 | 121,189 |
| (e) Depreciation and Amortization Expense | 12 | 7,149,485 | 7,501,739 |
| (f) Other Expenses | 27 | 11,356,144 | 14,913,124 |
| (g) Loss on Sale of Fixed Assets | | 9,663,355 | - |
| Total Expenses | | 41,323,536 | 67,961,605 |
| IV. Profit Before Extraordinary Items and Taxation | | 5,838,380 | 23,127,114 |
| Extraordinary item - (Loss) | | - | - |
| V. Profit Before Tax | | 5,838,380 | 23,127,114 |
| VI. Tax Expense: | | | |
| (a) Current Tax | | 1,100,000 | 4,630,000 |
| (b) Deferred Tax | | 510,097 | 11,726,804 |
| VII. Profit for the Year | | 4,228,283 | 6,770,310 |
| VIII. Earning Per Share: - Basic and Diluted (In Rs.) | | 0.97 | 1.55 |
| Notes forming part of Financial Statements | 1-37 | | |

As per our report of even date
For Ramesh M Sheth and Associates
Chartered Accountants
FRN 111883W

Mehul R Sheth
Partner
Membership No. 101598

Place: Mumbai
Date: 30th May, 2013

For and on behalf of the Board

RASHMI BHIMJYANI
Chairman & Managing Director

YOGESH DAWDA
Director

Place: Mumbai
Date: 30th May, 2013

R.T.EXPORTS LIMITED

| CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013 | | 2012-2013 | 2011-2012 |
|--|--|---------------------|---------------------|
| A. CASHFLOW FROM OPERATING ACTIVITIES | | | |
| Net Profit before tax and Prior period items | | 5,838,380 | 23,127,114 |
| Adjusted for : | | | |
| Depreciation | | 7,149,485 | 7,501,739 |
| Sundry Balance Written Off/Provision for doubtful Debts | | 604,684 | 98 |
| Preliminary Expenses W/off | | - | - |
| Sundry Balance Written back | | (12,224) | (1) |
| Provision of income tax adj ealrier year (net) | | - | - |
| Provision for diminution in Investment | | 2,000 | 19,200 |
| (Profit) /Loss on sale of assets | | 9,663,355 | 257,969 |
| Extra-ordinary items | | - | - |
| Provision for Gratuity | | - | - |
| Financial charges | | 5,093,568 | 121,189 |
| Interest Income | | (329,735) | (137,686) |
| Previous year income | | (100,392) | - |
| Rent Income(FURNITURE HIRING) | | (3,330,936) | (3,304,500) |
| Operating Profit before working capital changes | | 24,578,185 | 27,585,122 |
| Adjusted for : | | | |
| Changes in Trade Receivables | | 16,390,519 | (4,511,751) |
| Changes in Inventories | | - | 7,200,189 |
| Changes in Trade payables | | 32,245,238 | (2,467,994) |
| Changes in other current assets | | 95,018 | (95,018) |
| Changes in long term provisions | | (74,458) | 395,139 |
| Changes in short term provisions | | (1,203) | 7,028 |
| Changes in other current liabilities | | 8,230,601 | 4,597,954 |
| Cash generated from operations | | 81,463,900 | 32,710,669 |
| Tax Paid (Net) | | (1,783,641) | (5,165,653) |
| Cash Flow before Extraordinary and Prior Period items | | 79,680,259 | 27,545,016 |
| Extra-ordinary items | | - | - |
| Net Cash from / (used in) Operating Activities | | 79,680,259 | 27,545,016 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase & Sale of fixed assets & capital advances | | (63,507,997) | (16,255,598) |
| Interest income | | 329,735 | 137,686 |
| Rent Income | | 3,330,936 | 3,304,500 |
| Net Cash from / (used in) Investing Activities | | (59,847,326) | (12,813,412) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Long Term Loans and Advances | | (75,127,606) | (192,076,498) |
| Proceeds of Short term loans and advances | | (57,719,740) | 245,537,675 |
| Receipt of Long Term Borrowings | | 101,326,317 | 12,167,338 |
| Income tax refund received | | - | - |
| Financial expenses | | (5,093,568) | (121,189) |
| Increase in Other Non Current Assets | | (15,006) | (3,091) |
| Proceeds of Short Term Borrowings | | 2,305,488 | (55,068,516) |
| Net Cash from / (used in) Financing Activities | | (34,324,115) | 10,435,719 |
| D. Net increase in cash and cash equivalents (A+B+C) | | | |
| | | (14,491,182) | 25,167,323 |
| Opening balance of cash and cash equivalents | | 25,455,743 | 288,420 |
| Closing balance of cash and cash equivalents | | 10,964,561 | 25,455,743 |
| E. Schedule for Cash and Cash Equivalents | | | |
| Cash On Hand | | 62,496 | 136,202 |
| Balance in fixed deposits and earmarked funds | | - | 10,720,000 |
| Balances with Scheduled Banks | | 10,902,065 | 14,599,541 |
| Total | | 10,964,561 | 25,455,743 |

Notes:

- 1) Bracket indicates cash outflow.
- 2) Above Cash Flow Statement has been prepared under indirect method as per Accounting Standard (AS) 3 " Cash Flow Statement "
- 3) Previous year figures have been regrouped wherever necessary to confirm to current year's classification

As per our report of even date
For Ramesh M Sheth and Associates
 Chartered Accountants

Mehul R Sheth
 Partner
 Membership No. 101598

Place: Mumbai
Date : 30th May, 2013

For and on behalf of the Board

RASHMI BHIMJYANI
 Chairman & Managing Director

YOGESH DAWDA
 Director

Place: Mumbai
Date : 30th May, 2013

NOTES TO THE FINANCIAL STATEMENTS**(1) Significant Accounting Policies****A. Basis of Preparation of Financial Statements**

- a) The financial statements have been prepared under the historical cost convention, in accordance with generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted and applied consistently by the Company. The accounts have been prepared on the going concern basis as the company has continued rice processing activity at Kandla. The Company has entered into a business of handling, storage and transportation of agri products at Bundi (Rajasthan)
- b) The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / ascertained.

B. Recognition of the Components of Financial Statements**i. Fixed Assets and Depreciation**

- a) Fixed assets are stated at cost of acquisition and construction less accumulated depreciation.
- b) Depreciation is provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.
- c) In accordance with the Accounting Standard 28 on Impairment of assets issued by the Institute of Chartered Accountants of India, Assets are treated as impaired when the carrying cost of assets exceeds its recoverable amount.

As per the valuation carried out by the management from an independent valuer and as per the valuation of fixed assets carried out by the management, they arrived at the conclusion that the market value of its assets exceeds the carrying cost, the management is of the view that since the market value of assets recovers its cost, no loss on account of impairment of assets should be considered.

ii. Investment

Long term investments are stated at cost less provision for permanent diminution in value of such investments. Current investments are stated at lower of cost and fair value.

iii. Inventories

In general all Inventories of raw materials, finished goods and stores and spares etc. are stated at lower of cost or net realisable value. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. The cost of raw materials is determined on weighted average basis and stores & spares on FIFO basis.

NOTES TO THE FINANCIAL STATEMENTS**iv. Foreign Currency Transactions**

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- b) Monetary items denominated in foreign currencies at the year end not covered by the forward exchange contracts are translated at the year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such differences having been recognized over the life of the contract.
- c) Gain or loss arising out of translation/conversion is taken credit for or charged to the Profit and Loss Account.

v. Employee Retirement Benefits

Provision for gratuity liability to employees is made on the basis of actuarial valuation.

vi. Recognition of Income and Expenditure

The Company recognizes significant items of income and expenditure on accrual basis. The Company has entered into a selling agent arrangement with M/s Vidyavihar Containers Ltd which stipulates inter-alia that the Company is entitled to a commission after the sale proceeds deposited by the flat purchasers exceeds a figure of Rs.83.50 Crores.

The Company has achieved the target of collecting Rs. 83.50 Crores pursuant to which security deposit and profits have started accruing during the year review. The Profits are booked in the books of account as and when the same accrues.

One M/s Neelkanth Mansions and Infrastructure Limited ("NMIL") filed a suit vide suit no. 830 of 2010 wherein the Company, M/s Treetop Housing & Estate Pvt. Ltd.(Treetop) were made Respondents. The said NMIL has claimed their share in the proceeds overflowing the target amount of Rs. 83.50 crores. The Company, Treetop and NMIL entered into consent term on 2nd July 2011 whereby each of the three parties will receive the overflow of proceeds equally.

vii. Borrowing Cost

The borrowing costs are normally charged to revenue except those that are attributable to the acquisition or construction of the qualifying assets, which are capitalized. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

viii. Provision

A provision is recognized when an enterprise has a present obligation as a result of past event it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ix. Sales and Services

Sales and services include service charges, commission but exclude sales tax and service tax.

NOTES TO THE FINANCIAL STATEMENTS

| | As at 31.03.2013 Rs. | As at 31.03.2012 Rs. |
|--|----------------------------------|----------------------------------|
| 2) SHARE CAPITAL | | |
| Authorized | | |
| 17,000,000 (Previous Year 17,000,000) Equity Shares of Rs.10/-each | 170,000,000 | 170,000,000 |
| 1,900,000 (Previous Year 1,900,000) Preference Shares of Rs.100/- each | 190,000,000 | 190,000,000 |
| | <u>360,000,000</u> | <u>360,000,000</u> |
| Issued Subscribed and Paid Up | | |
| 4,359,000, Equity Share (Previous Year 4,359,000) of Rs.10/- each fully paid up (of the above 562,500 shares of Rs. 10/- each were allotted as fully paid up bonus shares by capitalization of free reserves.) | 43,590,000 | 43,590,000 |
| 700,000 (Previous Year 700 000) 9% Cumulative Preference Shares of Rs. 100/- each fully paid up to be renewed upto 31st March 2014 | 70,000,000 | 70,000,000 |
| 795,415, 6% Non Cumulative Redeemable Preference Shares (Previous Year 795,415) of Rs. 100 each Fully Paid up and was to be redeemed on 8th March 2013. The Company will redeem the same in due course of time. | 79,541,500 | 79,541,500 |
| | <u>193,131,500</u> | <u>193,131,500</u> |
| Equity Shareholders holding more than 5% shares : | | |
| | As at 31st March 2013 | As at 31st March 2012 |
| Name of the Shareholder | % Age No. of Shares | % Age No. of Shares |
| Rashmi Bhimjyani | 40.30 1,756,527 | 40.30 1,756,527 |
| Harmony Holding Limited | 12.62 550,000 | 12.62 550,000 |
| Rekha Bhimjyani | 10.07 439,168 | 9.16 399,445 |
| Bhavik Bhimjyani | 9.55 416,460 | 9.16 399,445 |
| 9% Cummulative Preference Shareholders holding more than 5% shares : | | |
| R T Agro Private Limited (Formerly known as Peninsula Gateways Private Limited) | 100.00 700,000 | 100.00 700,000 |
| 6% Non Cummulative Preference Shareholders holding more than 5% shares : | | |
| Harmony Holding Limited | 100.00 795,415 | 100.00 795,415 |
| The reconciliation of the number of equity shares outstanding is set out below : | | |
| Equity Shares at the beginning of the year | | 4,359,000 |
| Equity Shares at the end of the year | | 4,359,000 |
| The reconciliation of the number of 9% cummulative preference shares outstanding is set out below : | | |
| Preference Shares at the beginning of the year | | 700,000 |
| Preference Shares at the end of the year | | 700,000 |
| The reconciliation of the number of 6% non - cummulative redeemable preference shares outstanding is set out below: | | |
| Preference Shares at the beginning of the year | | 795,415 |
| Preference Shares at the end of the year | | 795,415 |

NOTES TO THE FINANCIAL STATEMENTS

| | As at 31.03.2013 Rs. | As at 31.03.2012 Rs. |
|---|----------------------------|----------------------------|
| 3) RESERVES AND SURPLUS | | |
| Capital Redemption Reserve | | |
| Opening balance | 34,784,300 | 34,784,300 |
| Add / Less :- Adjustment during the year | - | - |
| Closing balance | 34,784,300 | 34,784,300 |
| Securities Premium Account | | |
| Opening balance | 35,567,200 | 35,567,200 |
| Add / Less :- Adjustment during the year | - | - |
| Closing balance | 35,567,200 | 35,567,200 |
| Surplus (balance in the statement of profit and loss) | | |
| Opening balance | (1,424,494) | (8,194,804) |
| Add :- Transfer from statement of profit and loss | 4,228,283 | 6,770,310 |
| Add :- Income tax Adjustment earlier year (net) | 533,115 | - |
| Closing balance | <u>3,336,904</u> | <u>(1,424,494)</u> |
| | <u>73,688,404</u> | <u>68,927,006</u> |
| NON CURRENT LIABILITIES : | | |
| 4) LONG TERM BORROWINGS | | |
| (a) Secured Loans | | |
| Term Loan | | |
| Oriental Bank of Commerce | 54,276,187 | 10,000,000 |
| i) Secured by Mortgage of Company 's Land & Building situated at Devapura, Bundi (Rajasthan) vide Kasra no. 34, 35, 856, 857, 858, 859, 860, 861, 862, 863, 864 | | |
| ii) Interest rate 11.25% p.a. | | |
| iii) Repayment in 40 Quarterly installment after a moratorium of 24 months from the date of disbursement and first installment falls due on 31.03.2014. | | |
| Tata Capital Housing Finance Limited | 23,346,126 | - |
| (Secured by five residential flat booked at Neelkanth kingdom) | | |
| State Bank of India (hypothecation of vehicle) | 1,497,187 | 2,496,183 |
| (Refer note no 8) | | |
| b) Unsecured Loans | | |
| From Directors | 8,581,971 | 3,878,971 |
| Others | 30,000,000 | - |
| | <u>117,701,471</u> | <u>16,375,154</u> |
| 5) DEFERRED TAX LIABILITIES (Net) | | |
| Opening deferred tax liability | 11,726,804 | - |
| Add: On account of Depreciation | 510,097 | 11,905,121 |
| Less: On account of Gratuity | - | (178,317) |
| Deferred Tax Liability (Net) | <u>12,236,901</u> | <u>11,726,804</u> |

NOTES TO THE FINANCIAL STATEMENTS

| | As at 31.03.2013 Rs. | As at 31.03.2012 Rs. |
|---|----------------------------|----------------------------|
| 6) OTHER LONG TERM LIABILITIES | | |
| Security Deposits | 9,578,012 | 9,578,012 |
| | <u>9,578,012</u> | <u>9,578,012</u> |
| 7) LONG TERM PROVISIONS | | |
| Provision for employee benefits : | | |
| Retirement benefits | 475,225 | 549,683 |
| | <u>475,225</u> | <u>549,683</u> |
| CURRENT LIABILITIES : | | |
| 8) SHORT TERM BORROWINGS | | |
| Secured Loan | | |
| Tata Capital Housing Finance Limited (Secured by five residential flat booked at Neelkanth kingdom) | 1,527,388 | - |
| State Bank of India (hypothecation of vehicle) (Refer note no 4) | 1,289,782 | 511,682 |
| | <u>2,817,170</u> | <u>511,682</u> |
| 9) TRADE PAYABLES | | |
| (a) Due to Micro and Small enterprises | - | - |
| (b) Due to Others | 34,504,861 | 2,295,635 |
| | <u>34,504,861</u> | <u>2,295,635</u> |
| 10) OTHER CURRENT LIABILITIES | | |
| (a) Loan and Advances | - | 23,789 |
| (b) Bank Overdraft | 785,063 | 1,315,266 |
| (c) Others | | |
| Statutory payments | 9,858,190 | 4,473,597 |
| Others | 3,400,000 | - |
| | <u>14,043,253</u> | <u>5,812,652</u> |
| 11) SHORT TERM PROVISIONS | | |
| Provision for employee benefits : | | |
| Retirement benefits | 8,986 | 10,189 |
| | <u>8,986</u> | <u>10,189</u> |

NOTES TO THE FINANCIAL STATEMENTS

12) FIXED ASSETS :

| Description | GROSS BLOCK | | | | DEPRECIATION | | | | NET B |
|---|---------------------------|-------------------|--------------------|---------------------------|--------------------------|-----------------------|-----------------------------------|---------------------------|---------------------------|
| | As At 01.04.2012 Rs | Additions Rs | Deductions Rs | As At 31.03.2013 Rs | Upto 31.03.2012 Rs | For the Year Rs | Deductions / Adjustments Rs | Upto 31.03.2013 Rs. | AS At 31.03.2013 Rs |
| i) Tangible Assets | | | | | | | | | |
| Free hold Land | 3,365,008 | | - | 3,365,008 | - | - | - | - | 3,365,008 |
| Building | 35,790,300 | 36,003,938 | - | 71,794,238 | 16,168,546 | 1,495,313 | - | 17,663,859 | 54,130,379 |
| Plant and Machinery/ Electrical Installation | 77,014,637 | 38,000 | 64,116,570 | 12,936,067 | 61,355,458 | 3,472,670 | 53,736,845 | 11,091,283 | 1,844,783 |
| Furniture and Fixture / Office Equipments | 27,548,349 | 220,000 | 7,915,378 | 19,852,971 | 17,318,620 | 1,403,276 | 7,142,686 | 11,579,211 | 8,273,760 |
| Vehicles | 10,067,231 | 786,893 | 1,472,220 | 9,381,904 | 2,936,786 | 778,226 | 1,433,689 | 2,281,325 | 7,100,578 |
| ii) Capital Work in Progress | 10,485,116 | 62,722,858 | 34,731,068 | 38,476,906 | - | - | - | - | 38,476,906 |
| Total | 164,270,641 | 99,771,689 | 108,235,236 | 155,807,094 | 97,779,410 | 7,149,485 | 62,313,220 | 42,615,678 | 113,191,414 |
| Previous Year | 148,617,043 | 16,490,598 | 837,000 | 164,270,641 | 90,621,702 | 7,501,739 | 344,031 | 97,779,410 | 66,491,229 |

NOTES TO THE FINANCIAL STATEMENTS

| | As at 31.03.2013 Rs. | As at 31.03.2012 Rs. |
|---|----------------------------|----------------------------|
| NON CURRENT ASSETS : | | |
| 13) NON CURRENT INVESTMENTS | | |
| Long Term Unquoted Investments (At Cost) | | |
| In Government securities : | | |
| National Saving Certificates | 41,000 | 41,000 |
| In Equity Shares : | | |
| Neelkanth Realtors Private Ltd (One Share of Rs.100/-) | 100 | 100 |
| 20000 Moving Picture (Previous Year 20000) | 30,600 | 32,600 |
| (Market Value as on 31st March' 13 Rs. 1.53) | | |
| | <u>71,700</u> | <u>73,700</u> |
| 14) LONG-TERM LOANS AND ADVANCES | | |
| (Unsecured , Considered good unless otherwise stated) | | |
| (a) Capital Advances | - | 8,193,650 |
| (b) Security Deposits | 2,182,719 | 351,188 |
| (c) Loans and Advances (Related Party) | 265,994,802 | 183,969,802 |
| (d) Advance Income Tax & Tax Deducted at Souce (Net of Provision) | 6,680,695 | 6,530,330 |
| (e) Prepaid Expenses | - | 2,000 |
| | <u>274,858,216</u> | <u>199,046,970</u> |
| 15) OTHER NON-CURRENT ASSETS | | |
| Interest accrued on Investments | 25,757 | 10,751 |
| | <u>25,757</u> | <u>10,751</u> |
| CURRENT ASSETS : | | |
| 16) INVENTORIES | | |
| (As certified and valued by the management) | | |
| Finished Goods | - | - |
| | <u>-</u> | <u>-</u> |
| 17) TRADE RECEIVABLES | | |
| (a) Over six months | - | - |
| (b) Other Debts | 1,064,795 | 17,455,306 |
| Total Debts | 1,064,795 | 17,455,306 |
| Net Sundry Debtors | <u>1,064,795</u> | <u>17,455,306</u> |
| Notes: | | |
| Sundry Debtors unsecured and considered good | 1,064,795 | 17,455,306 |
| | <u>1,064,795</u> | <u>17,455,306</u> |
| 18) CASH & CASH EQUIVALENTS | | |
| (a) Balances with Banks : | | |
| Current Accounts | 10,902,065 | 14,599,541 |
| Fixed Deposits | - | 5,000,000 |
| Earmarked Funds | - | 5,720,000 |
| (b) Cash on Hand | 62,496 | 136,202 |
| | <u>10,964,561</u> | <u>25,455,743</u> |
| 19) SHORT-TERM LOANS AND ADVANCES | | |
| (Unsecured, Considered good unless otherwise stated) | | |
| Loans and Advances / others | 58,009,340 | 289,600 |
| | <u>58,009,340</u> | <u>289,600</u> |
| 20) OTHER CURRENT ASSETS | | |
| Interest Accrued on FDR | - | 95,018 |
| | <u>-</u> | <u>95,018</u> |

NOTES TO THE FINANCIAL STATEMENTS

| | As at 31.03.2013 Rs. | As at 31.03.2012 Rs. |
|--|----------------------------|----------------------------|
| 21) REVENUE FROM OPERATIONS | | |
| (a) Sale of Products | - | 42,959,400 |
| (b) Sale of Services | | |
| -Processing Charges of Agri. Products | 5,688,007 | 2,680,299 |
| -Other Service Charges | 37,290,851 | 40,797,824 |
| | <u>42,978,858</u> | <u>86,437,523</u> |
| 22) OTHER INCOME | | |
| (a) Interest Income | | |
| NSC | 3,343 | 3,091 |
| Fixed Deposit | 162,742 | 134,595 |
| Others | 163,650 | - |
| (b) Rent Received | 3,330,936 | 3,304,500 |
| (c) Gain on Forex Fluctuation | 156,492 | 696,001 |
| (d) Discount Received | - | 278,856 |
| (e) Other Receipts | 365,895 | 234,153 |
| | <u>4,183,058</u> | <u>4,651,196</u> |
| 23) PURCHASE OF STOCK IN TRADE | - | 33,394,749 |
| | - | <u>33,394,749</u> |
| 24) INCREASE / (DECREASE) IN STOCKS | | |
| Finished Goods | | |
| Closing Stock | - | - |
| Less:- Opening Stock | - | 7,200,189 |
| | - | <u>7,200,189</u> |
| 25) EMPLOYEE BENEFITS EXPENSE | | |
| (a) Salaries and Wages | 7,501,834 | 4,274,868 |
| (b) Contribution to Gratuity Fund | - | 402,167 |
| (c) Staff Welfare Expenses | 559,150 | 153,580 |
| | <u>8,060,984</u> | <u>4,830,615</u> |
| 26) FINANCE COST | | |
| (a) Interest Expense | 34,185 | 74,749 |
| (b) Other Borrowing Costs | 5,059,383 | 46,440 |
| | <u>5,093,568</u> | <u>121,189</u> |
| 27) OTHER EXPENSES | | |
| Repairs and Maintenance | | |
| - Plant | - | 900 |
| - Buildings | - | 3,748 |
| - Others | 1,813,452 | 2,655,527 |
| Insurance | 97,874 | 91,653 |
| Rate & Taxes | 244,040 | 104,320 |
| Freight and handling charges | - | 1,784,447 |
| Packing Expenses | - | 967,923 |
| Traveling & Conveyance Expenses | 1,133,121 | 2,030,260 |
| Telephone and Telex | 223,872 | 254,650 |
| Advertising, Publicity and Sales Promotion | 138,283 | 503,887 |
| Legal and Professional charges | 4,986,575 | 3,302,783 |
| Brokerage and commission | - | 217,624 |
| Payment to Auditors : | | |
| As Auditors | 150,000 | 150,000 |
| For Taxation Matters | 18,540 | 15,450 |
| Diminution in value of Current Investments (Net) | 2,000 | 19,200 |
| Other expenses | 2,548,387 | 2,810,752 |
| TOTAL :- | <u>11,356,144</u> | <u>14,913,124</u> |

NOTES TO THE FINANCIAL STATEMENTS
28. Contingent Liabilities

- a) The Sales Tax Department had raised a demand of Rs.2 93 085 for the tax Assessment Year 1996-97 which was disputed by the Company. The Honorable Rajasthan High Court had decided the case in favour of the Company against which the Department has filed a Special Leave Petition before the Honorable Supreme Court which is still pending without any decision having been given till date. The Management is confident that the Department's Appeal will be dismissed and hence no provision is made for the same.
- b) Claims for taxes and other disputed items against the Company not acknowledged as debt Rs Nil- (Previous Year Rs. NIL/-)
- c) The company has 700,000, 9% Cumulative Preference shares of Rs. 100 each outstanding as on 31st March 2013. However no dividend has been declared on these shares. Hence the arrears of dividend on these share is Rs.31 500 000. (Previous year Rs. 25 200 000)

29. Disclosure required under the Micro, Small and Medium enterprises Development Act, 2006

The Company has not received any intimation from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, as required by Scheduled VI to the Companies Act, 1956 have not been made.

30. Auditors Remuneration

(Amount in Rs.)

| | 2012-13 | 2011-12 |
|--|-----------------|----------|
| Audit fees | 1,25,000 | 1,25,000 |
| Tax audit fees | 25,000 | 25,000 |
| Other Services - Miscellaneous Reports | | |
| Service Tax | 18,540 | 15,450 |
| Total | 1,68,540 | 1,65,450 |

31. Deferred Taxation

Deferred tax resulting from "timing difference "between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

32. The Board of Directors in its meeting held on 15th May 2012 has decided that no remuneration will be paid to the Managing Director for the year ended 31st March 2013. Hence no provision has been made in the books of accounts for the year ended 31st March 2013 for remuneration payable to the Managing Director.
33. The Company commenced the integrated business of handling, storage and transportation of food grains at Bundi. One of the units commenced its integrated business in the previous year. On completion of the construction of the units, Capital work in progress is transferred to buildings. The construction work of other units is reflected under the head Capital-Work in progress and is expected to commence activities from the financial year 2013-14.

NOTES TO THE FINANCIAL STATEMENTS

34. Segment Reporting Primary Segment (Business)

| | 2012-13 | | | | | 2011-12 | | | |
|---|-----------------|---|--------------------|------------------|---------------------|------------------|---|-------------------|------------------|
| | Agro | Business of handling , storage & transportation | Services | Rent | Total | Agro | Business of handling , storage & transportation | Services | Rent |
| REVENUE | | | | | | | | | |
| External Sales, Services& Rent | 156,492 | 59,46,638 | 3,72,90,851 | 33,30,936 | 4,67,24,917 | 42,959,400 | 2,680,299 | 40,797,824 | 3,304,500 |
| Total Revenue | 156,492 | 59,46,638 | 3,72,90,851 | 33,30,936 | 4,67,24,917 | 42,959,400 | 2,680,299 | 40,797,824 | 3,304,500 |
| RESULTS | | | | | | | | | |
| Segment Results | 1,56,493 | 36,30,223 | 3,52,94,009 | 33,30,936 | 4,24,11,661 | (605,531) | (1,164,496) | 37,871,907 | 3,304,500 |
| Unallocable Income/ (Expenses / Loss) (Net) | | | | | (2,43,30,228) | | | | |
| Interest & Financial Charges (net) | | | | | (50,93,568) | | | | |
| Net Profit Before Prior Period Items | | | | | | | | | |
| Prior Period Items | | | | | - | | | | |
| Net Profit after Tax | | | | | 58,38,380 | | | | |
| OTHER INFORMATION | | | | | | | | | |
| Segment Assets | 1,20,07,694 | 6,11,44,191 | 26,60,81,260 | 86,26,841 | 34,78,59,986 | 42,773,548 | 36,258,785 | 188,469,802 | 9,236,360 |
| Unallocated Corporate Assets | | | | | 7,18,48,891 | | | | |
| Total Assets | | | | | 41,97,08,877 | | | | |
| Segment Liabilities | 79,149 | 3,41,33,816 | 88,11,325 | 95,78,012 | 5,26,02,302 | | 11,685,510 | 4,302,568 | 9,601,801 |
| Unallocated Liabilities | | | | | 40,55,83,481 | | | | |
| Total Liabilities | | | | | 45,81,85,783 | | | | |
| Capital Expenditure | | 3,84,76,906 | | | 3,84,76,906 | | 10,485,116 | | |
| Unallocable Capital Expenditure | | | | | | | | | |
| Total Capital Expenditure | | 3,84,76,906 | | | 3,84,76,906 | | 10,485,116 | | |
| Depreciation | 35,44,607 | 11,64,862 | | 15,35,309 | 62,44,778 | 3,537,653 | 849,528 | | 2,609,448 |
| Unallocable Depreciation | | | | | 9,04,707 | | | | |
| Total Depreciation | | | | | 71,49,485 | | | | |

NOTES TO THE FINANCIAL STATEMENTS
Secondary Segment (Geographical):

| | 2012-2013 | 2011-2012 |
|------------------------|-------------------|------------|
| Segment Revenue | | |
| Exports | - | 16,438,950 |
| Domestic | 42,978,858 | 69,998,573 |
| TOTAL | 42,978,858 | 86,437,523 |

Notes:

- i) Asset employed by above geographical segments are common and hence, information about segment wise assets and capital expenditure during the year could not be given.
- ii) Segments have been identified and reported taking into account, the differing risk and returns, the organization structure, internal reporting system and Accounting Standard - 17. Accordingly four main Business segments have been identified: Agro products representing Trading of Rice, Business of handling, storage and transportation, Service and Rent.
- iii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the Segment. Unallocated includes expenses incurred at the corporate level which relates to the Company as whole.

35. Related Party Disclosure
Related Parties
Key Management Personnel

Rashmi C Bhimjyani

Bhavik R Bhimjyani

Companies Controlled by Key Management Personnel and their relatives

Achintya Exports Pvt. Ltd., Amity Properties Pvt. Ltd., Anshul Trading and Investment Pvt Ltd, Badrinath Trading Pvt. Ltd., Blue Diamond Realtors Pvt Ltd, Century Agro Farms Land Pvt. Ltd., Frontier Agri Properties Pvt. Ltd., Golden Oil Equipments Pvt Ltd., Kutch Warehouse Pvt. Ltd., Lighthouse Developers Pvt. Ltd, Metropolitan Realtors Pvt. Ltd., Mountain View Agri Estate Pvt. Ltd., Neelkanth Agri Vilas Pvt. Ltd., Neelkanth Cities Pvt. Ltd., Neelkanth Land Developers Pvt. Ltd., Neelkanth Life Style Pvt. Ltd., Neelkanth Palm Realty Pvt. Ltd, Neelkanth Realtors Pvt. Ltd., Neelkanth Realty Pvt. Ltd, Neelkanth Shopping Malls Pvt. Ltd., Neelkanth Township & Construction Pvt. Ltd, Neelkanth Woods & Construction Pvt. Ltd, Pegasus Assets Reconstruction Pvt Ltd., R T Agro Pvt Ltd (Formerly known as Peninsula Gateways Pvt. Ltd)., R. Tulsidas Agro Exports Pvt. Ltd., R Tulsidas Exports Pvt Ltd, R. Tulsidas Agro Products Pvt. Ltd., Rose Land Infrastructure Pvt. Ltd., Tiger Warehousing Cold Chain Pvt. Ltd, Trendsetter & Investment Pvt Ltd, Titan Agri Developers Pvt. Ltd., Urban Rupi Infrastructure Pvt. Ltd., Harshdip Investment Pvt Ltd, Neelkanth Developers Pvt Ltd, Mukesh holding Pvt Ltd, Bhaveshwar Estate Pvt Ltd, Bhaveshwar Real estate Developers Pvt Ltd, New Look Developers Pvt Ltd, Rangoli Estate Property Pvt Ltd, Bhaveshwar Real Estate Pvt Ltd, Avadh Financial Advisory Pvt Ltd, Asian Warehousing Pvt Ltd, Barsana Financial Advisory Pvt Ltd, Chitrakoot Financial Services Pvt Ltd, Kamashi Financial Advisory Pvt Ltd, Murlidhar Financial Advisory Pvt Ltd, Rashbihari Financial Advisory Pvt Ltd, Surshayam Financial Services Pvt Ltd, Neelkanth India Housing Pvt Ltd, Neelkanth Property Developers Pvt Ltd., Neelkanth Realtors & Advisory Services Pvt Ltd, Zen Superstructure LLP, R. Tulsidas, Neelkanth Construction

Related party relationship is as identified by the Company and relied upon by the auditors

NOTES TO THE FINANCIAL STATEMENTS

Transactions with the above related parties during the year are as under:

| Particulars o f transactions | Key Management Personnel | Companies controlled by Key Management Personnel | Key Management Personnel | Companies controlled by Key Management Personnel |
|---------------------------------------|-----------------------------|--|-----------------------------|--|
| | (Amount in Rs.) (2012-2013) | (Amount in Rs.) (2012-2013) | (Amount in Rs.) (2011-2012) | (Amount in Rs.) (2011-2012) |
| Unsecured Loans | | | | |
| - Taken during the Year | 17 030 000 | | 15 569 735 | |
| - Repaid during the year | 12 327 000 | | 15 898 580 | |
| - Balance as at end of year | 8 581 971 | | 3 878 971 | |
| | | | | |
| Advances /Others* | | | | |
| - Given during the Year | | 137 225 000 | | 272 450 000 |
| - Returned / Received during the year | | 55 200 000 | | 32 900 000 |
| - Balance as at end of year | | 265 994 802 | | 183 969 802 |
| Expenditure | | | | |
| Rent | 72 000 | | 72,000 | |

36. Quantitative Details of Opening, Purchase, Consumption and Sale of Finished Products
Opening Stock

| Items | Unit | 2012-13 | | 2011-12 | |
|-----------------|------|----------|-----|----------|-----------|
| | | Quantity | Rs. | Quantity | Rs. |
| Rice (Finished) | MT | Nil | Nil | 208 | 67 68 593 |

Closing Stock

| Items | Unit | 2012-13 | | 2011-12 | |
|-------|------|----------|-----|----------|-----|
| | | Quantity | Rs. | Quantity | Rs. |
| Rice | Nil | Nil | Nil | Nil | Nil |

Materials Purchased /Used (Indigenous)

| Items | Unit | 2012-13 | | 2011-12 | |
|-------|------|----------|-------|----------|------------|
| | | Quantity | Rs. | Quantity | Rs. |
| Rice | MT | Nil | Nil - | 832 | 33 394 748 |

Note: - All the raw materials consumed are indigenous only.

NOTES TO THE FINANCIAL STATEMENTS
Sales and Services

| Items | 2012-13 | | | 2011-12 | |
|---------------------------|---------|----------|-------------------|----------|--------------------|
| | Unit | Quantity | Rs. | Quantity | Rs. |
| Rice | MT | - | - | 1040 | 42 959 400 |
| Processing Charges - Agri | N.A. | - | 5 688 007 | - | 26 80 299 |
| Other Service Charges | N.A. | - | 37 290 851 | - | 40 797 824 |
| Total | | | 42 978 858 | | 8 64 37 523 |

37. Expenditure in Foreign Currency

| Particulars | 2012-13 | 2011-12 |
|--------------------------|-----------------|------------------|
| | RS. | RS. |
| Brokerage and commission | - | 217 624 |
| Foreign Travel | 3 19 856 | 983 609 |
| Total | 3 19 856 | 1 201 233 |

Earnings in Foreign Currency

| Particulars | 2012-13 | 2011-12 |
|------------------------------|---------|------------|
| | RS. | RS. |
| Export of goods on FOB basis | - | 16 438 950 |

The previous year figures have been regrouped/ rearranged wherever necessary.

As per our report of even date
Ramesh M Sheth & Associates
 Chartered Accountants
 FRN 111883W

Mehul R Sheth
 Partner
 Membership No. 101598

Place: Mumbai
 Date: 30th May 2013

For and on behalf of the Board

RASHMI BHIMJYANI
 Chairman & Managing Director

YOGESH DAWDA
 Director

Place: Mumbai
 Date: 30th May 2013

R. T. EXPORTS LIMITED

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

ATTENDANCE SLIP

I hereby record my attendance at the Thirty Third Annual General Meeting of the members of R.T.Exports Limited to be held on Monday, 15th day of July, 2013 at 10.00 a. m. at the registered office of the company, 508, Dalamal House, Nariman Point, Mumbai 400 021.

Name and Address of Shareholder _____

Register Folio No. _____

Name and Address of Shareholder
(in BLOCK CAPITALS)

Signature of the Shareholder or Proxy _____

Please complete this attendance slip and hand it over at the entrance of the meeting hall.
-----**R. T. EXPORTS LIMITED**

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

PROXY FORMI/We _____ of _____
_____ of __________ being a Member / Members of **R.T. EXPORTS LIMITED** hereby appoint_____ of _____ (of 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 Thirty third Annual General Meeting of the members of the Company to be held on Monday, the 15th day of July, 2013 at 10.00 a. m. at the Registered Office of the Company, 508 Dalamal House, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021 and any adjournment thereof.

AS WITNESS my hand / our hands this _____ day of _____ 2013.

**Re.1.00
Revenue
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.

Registered Folio No. _____

Name of Shareholder(s) _____

BOOK - POST

If Not Delivered, Please return to :

R. T. EXPORTS LIMITED

508, Dalamal House,

Jamnala Bajaj Road,

Nariman Point,

Mumbai 400 021.