

Date: 27<sup>th</sup> November, 2020

To,  
The Manager (Listing)  
Corporate Relationship Dept  
BSE Limited  
P J Tower,  
Dalal Street,  
Mumbai - 400 001

**Scrip Code: 512565**

**Sub: - Annual Report of R T Exports Limited for the financial year ended  
31<sup>st</sup> March, 2020**

Dear Sir / Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2019-20 and Notice of AGM of 40<sup>th</sup> Annual General Meeting schedule to be held on Wednesday, 23<sup>rd</sup> December, 2020 at Basement (No. 2), Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400 021 at 10.00 a.m. IST.

The said Annual Report and Notice of AGM is also being made available on the Company's website i.e. [www.rtextports.com](http://www.rtextports.com) and the link is [http://rtextports.com/Performance\\_annualreports.html](http://rtextports.com/Performance_annualreports.html)

You are requested to take the same on record.

Thanking you,

**For R.T. Exports Limited**

MITALI  
YOGESH  
SHAH

Digitally signed by MITALI YOGESH SHAH  
DN: c=IN, ou=Personal, title=7096,  
pseudoym=9925aa3be90f1666f520e0  
9166de; 1609bb11da23f8eddb3ebbe54  
6466e6, postalCode=401101,  
st=Maharashtra,  
serialNumber=64fc24d7666237d50c6e3  
9f22527063bb3a792816936e22a0e1ed8  
d235d6da, cn=MITALI YOGESH SHAH  
Date: 2020.11.27 21:57:15 +05'30'

**Mitali Shah**  
**Company Secretary & Compliance Officer**  
**Mem No:A32871**

Encl: As above

**R T EXPORTS LIMITED**

508, Dalamal House, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021.

T: 022 408 13000 Email: [headoffice@neelkanthrealty.com](mailto:headoffice@neelkanthrealty.com) CIN: L51900MH1980PLC022582

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

|                      |   |                              |
|----------------------|---|------------------------------|
| Mr. Bhavik Bhimjyani | - | Chairman & Managing Director |
| Ms. Asha Dawda       | - | Non-Executive Woman Director |
| Mr. Yogesh Thakkar   | - | Independent Director         |
| Mr. Manohar Kumar    | - | Independent Director         |

### CHIEF FINANCIAL OFFICER

Mr. Kirtikumar Pandya

### COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Mitali Shah (w.e.f August 16, 2020)  
Mr. Rajeshkumar C. Pillai (Resigned w.e.f January 07,2020)

### REGISTERED OFFICE

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

### AUDITORS

#### **M/S Pathak H.D. & Associates**

Chartered Accountants,  
814/815, Tulsiani Chambers,  
212, Nariman Point,  
Mumbai- 400 021

### BANKERS

Punjab National Bank

### REGISTRARS AND SHARE TRANSFER AGENTS

LINK INTIME INDIA PRIVATE LIMITED  
C-101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai- 400 083.

### LISTED ON

BSE Limited

## NOTICE

### **R. T. Exports Limited**

CIN: L51900MH1980PLC022582

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

Website: [www.rtexports.com](http://www.rtexports.com)

Email: [headoffice@rtexports.com](mailto:headoffice@rtexports.com)

Tel No.: 022 40813000

Notice is hereby given that **40<sup>th</sup> (FORTIETH)** ANNUAL GENERAL MEETING (AGM) of the members of **R.T. Exports Limited** will be held on Wednesday, 23<sup>rd</sup> December, 2020 at 10.00 a.m. IST at the Basement (No. 2), Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400 021 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bhavik Rashmi Bhimjyani (DIN: 00160121), who retires by rotation and being eligible, offers himself for reappointment.

### **SPECIAL BUSINESS:**

3. **Re-appointment of Mr. Yogesh Jaitilal Thakkar (DIN: 07275147) as an Independent Director of the Company:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the said Act, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Yogesh Jaitilal Thakkar (DIN: 07275147) whose term as an Independent Director of the Company expires on 30<sup>th</sup> September, 2020, who meets the criteria prescribed for Independent Directors under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible to be re-appointed as an Independent Director of the Company, be and is hereby re-appointed for a second consecutive term of five years to hold office upto 30<sup>th</sup> September, 2025 and shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”

#### 4. To approve Material Related Party Transaction(s):

To consider, and if deemed fit, to pass with or without modification the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, as amended till date, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“Listing Regulations”), Company’s policy on Related Party Transactions, and subject to such other approvals, consents, sanctions and permissions of any authorities as may be necessary, consent of members of the Company be accorded to the material related party arrangements or transactions of availing of financial assistance secured or unsecured, short term or long term, rollover of the loan, extension of time for repayment of the loan, totally amounting to INR 10.00 Crores (Rupees Ten Crores only) from Mr. Bhavik R. Bhimjyani, from time to time as when required and that the Audit Committee and Board of Directors of the Company be and are hereby authorized to empower the Management of the Company to enter in to the said material related party arrangements / transactions on the principal terms mentioned in the Explanatory Statement annexed hereto:

**RESOLVED FURTHER THAT** the Board of Directors (including a Committee thereof) be and is hereby authorized to negotiate and finalize other terms and conditions and to do all such acts, deeds, matters and things and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary and / or expedient to give effect to this resolution.”

**By Order of the Board of Directors  
For R.T. Exports Limited**

**Bhavik R. Bhimjyani**  
**Chairman & Managing Director**  
**DIN: 00160121**  
Website: [www.rtexports.com](http://www.rtexports.com)  
Ph.: 02240813000  
Fax: 02266307000

Date: 23<sup>rd</sup> November, 2020  
Place: Mumbai

## NOTES:

1. Explanatory Statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such a proxy need not be a member of the Company.**

The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The proxy holder shall prove his identity at the time of attending the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
4. Corporate members intending to send their authorised representative(s) to attend the Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and to vote on their behalf at the Meeting.
5. At the 37th Annual General Meeting held on 29<sup>th</sup> September, 2017 the members approved appointment of M/s Pathak H.D & Associates, Chartered Accountants (Firm Registration No.: 107783W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 42<sup>nd</sup> AGM. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from 7<sup>th</sup> May, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM. The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.
6. Statement giving details of the Directors seeking reappointment is also annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Secretarial Standard on General Meeting ("SS-2").
7. Members may also note that the Notice of the 40<sup>th</sup> Annual General Meeting and the Company's Annual Report 2019-20 will be available on the Company's website, [www.rtexports.com](http://www.rtexports.com). All the relevant documents referred to in this AGM Notice and Explanatory Statement etc. shall remain open for inspection purpose at the Registered Office of the Company during its business hours on all working days (i.e. all days except Saturdays, Sundays and Public Holidays) up to the date of Annual General Meeting.

8. Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and other documents shall be available for inspection by the members at the AGM.
9. **The Company is providing facility for voting by electronic means (remote e-voting) through an electronic voting system and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are sent herewith in the e-voting communication. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again. Members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.**
10. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of Annual Report. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
11. The Register of Members and Transfer Books of the Company will be closed from Thursday, 17<sup>th</sup> December, 2020 to Wednesday, 23<sup>rd</sup> December, 2020 (Both days inclusive).
12. Members holding shares of the Company as on 16<sup>th</sup> December, 2020, shall be entitled to vote at the Annual General Meeting of the Company. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
13. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12<sup>th</sup> May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company's Registrar and Share Transfer Agent/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.rtexports.com](http://www.rtexports.com), websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL <https://www.evoting.nsdl.com>.
14. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [headoffice@rtexports.com](mailto:headoffice@rtexports.com) or to Link Intime (India) Private Limited at [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in).
15. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Share Transfer Agent, Link Intime (India) Private Limited. Members holding shares in physical form are requested to intimate such changes to the Company's Registrar and Share Transfer Agent.

16. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are Link Intime (India) Private Ltd. (Link Intime) having its office at C101, 247 Park, LBS Marg, Vikhroli West, Mumbai- 400 083.
17. The Company was not required to transfer any shares, during financial year 2019-2020, to the IEPF Authority, adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, from time to time.
18. Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company/Link Intime has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
19. In view of the massive outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") pursuant to Order of ROC Mumbai extension of time for holding of AGM for FY ended on 31.03.2020 has granted extension of AGM upto 3 months from due date of AGM.
20. Members holding shares in physical mode are:
- required to submit their Permanent Account Number (PAN) and bank account details to the Company / Link Intime, if not registered with the Company, as mandated by SEBI.
  - advised to register nomination in respect of their shareholding in the Company. (Nomination Form (SH-13)).
  - requested to register / update their e-mail address with the Company / Link Intime for receiving all communications from the Company electronically.**
21. Members holding shares in electronic mode are:
- requested to submit their PAN and bank account details to their respective Depository Participants ("DPs") with whom they are maintaining their demat accounts.
  - advised to contact their respective DPs for registering nomination.
  - requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.**
22. Non-Resident Indian members are requested to inform Link Intime/ respective DPs, immediately of:
- Change in their residential status on return to India for permanent settlement.
  - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

## 23. Voting Options:

### **Remote e-voting**

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their rights to vote on the resolutions proposed to be considered at the Annual general Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).



## Voting at AGM

The facility for voting through ballot paper shall be made available at the AGM and the Members who have not cast their votes electronically can exercise their voting rights at the AGM. The Company shall make necessary arrangements in this regard at the AGM venue.

### The details of the process and manner for remote e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

### Detailed procedure on Step 1 is as follows:

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is:   |
|--|--|
| a) For Members who hold shares in demat account with NSDL.     | <p>8 Character DP ID followed by 8 Digit Client ID</p> <p>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.</p> <p><i>Note: If you are already registered with NSDL for remote e-voting then you can use your existing user ID for login.</i></p> |

|  |   |
|--|---|
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID<br><br>For example if your Beneficiary ID is 12***** then your user ID is 12*****   |
| c) For Members holding shares in Physical Form.            | EVEN Number followed by Folio Number registered with the company<br><br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:

|   |
|---|
| a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.   |
| <p>b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.</p> <p>c) How to retrieve your 'initial password'?</p> <p>(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.</p> <p>(ii) If your email ID is not registered, please follow the below steps;</p> <p>In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to <a href="mailto:headoffice@rtexports.com">headoffice@rtexports.com</a></p> <p>In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to <a href="mailto:headoffice@rtexports.com">headoffice@rtexports.com</a></p> |

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a. Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b. “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button
9. After you click on the “Login” button, Home page of e-Voting will open.

**Detailed procedure on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## General Guidelines for members

1. Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [associates.rathi8@gmail.com](mailto:associates.rathi8@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## Other instructions

1. The Company has appointed Mr. Jayesh Shah (Membership No.: 5637), Partner of M/s. Rathi & Associates, Practicing Company Secretaries, as scrutinizer (the ‘Scrutinizer’) for conducting the voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.
2. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
3. The members who have cast their vote by remote e-voting may attend the meeting but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on Sunday, 20<sup>th</sup> December, 2020 (9:00 a.m.) and ends on Tuesday, 22<sup>nd</sup> December, 2020 (5:00 p.m.). During this period members of the Company, holding shares as on the cut-off date of Wednesday, 16<sup>th</sup> December, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
5. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Wednesday, 16<sup>th</sup> December, 2020.
6. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Wednesday, 16<sup>th</sup> December, 2020, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. A person, whose name is recorded in the register of members or in the register of beneficial owners as on the cut-off date, Wednesday, 16<sup>th</sup> December, 2020 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
8. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes

cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

9. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.rtexports.com](http://www.rtexports.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of result by the Chairman/Managing Director or a person authorized by him in writing. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

## STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (“THE ACT”)

The following statement sets out all material facts relating to the Special Business mentioned in the Notice:

### Item No. 3

The members of the Company at its Annual General Meeting held on 30<sup>th</sup> September, 2015 had approved the appointment of Mr. Yogesh Jaintilal Thakkar as Non-Executive Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 (hereinafter referred to as ‘the Act’) read with the Companies (Appointment and Qualification of Directors) Rules, 2014, to hold office upto 30<sup>th</sup> September, 2020.

Mr. Yogesh Jaintilal Thakkar, Non-Executive Independent Director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Mr. Thakkar has the requisite qualification, skills, experience and expertise in specific functional areas, which is beneficial to the Company and based on the outcome of his performance evaluation, the Nomination and Remuneration Committee recommended and the Board of Directors of the Company approved at their respective meetings held on 15<sup>th</sup> September, 2020 his re-appointment as a Non-Executive Independent Director for the second term of 5 (five) consecutive years on the Board of the Company w.e.f. 1<sup>st</sup> October, 2020, subject to approval of shareholders.

In the opinion of the Board, Mr. Yogesh Jaintilal Thakkar, fulfils the conditions specified in the Act, its rules framed thereunder and Listing Regulations for re-appointment as Independent Director and he is independent of the management. Accordingly, the Board of Directors recommends the resolution set out in Item No. 3 for approval of the members of the Company as Special Resolution.

The required details as per the Secretarial Standards (“SS-2”) and Regulation 36(3) of the Listing Regulations, is provided at **Annexure A** of this Notice. The draft letter of appointment setting out terms and conditions of re-appointment of the said Director shall be open for inspection by the Members through electronic mode.

Except Mr. Yogesh Jaintilal Thakkar, none of the Promoters, Directors, Key Managerial Personnel of the Company / their relatives is/are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

### Item No. 4

As per provisions of Section 188 of the Companies Act, 2013 (“Act”), Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, as amended till date, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, “Listing Regulations” requires that all material related party transactions, that is to say, transactions by a listed entity with a related party if entered individually or taken together with previous transactions during a financial year, exceeding 10 percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, shall require approval of the members by an ordinary resolution.

Mr. Bhavik R. Bhimjyani is a related party, with reference to the Company within the meaning of clause (76) of section 2 of the Companies Act, 2013 and Regulation 2(1)(zb) of the Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Considering the current situation for meeting the day to day expenses in the upcoming financial years, your company will need financial support from Mr. Bhavik R. Bhimjyani. Company has taken Rs. 30, 75,686/- (Rupees Thirty Lakh Seventy Five Thousand Six Hundred Eighty Six Only) as on the date of this report.

The particulars of the transaction proposed to be entered between your company and Mr. Bhavik R. Bhimjyani are as follows:

| Name of the Related Party | Nature of Transactions  | Estimated Value | Period           |
|---------------------------|---|-----------------|------------------|
| Mr. Bhavik R. Bhimjyani   | Obtaining of working capital loans, secured or unsecured, short term or long term, payment of interest on such loans acquired, repayment of the loans, roll over of the loan, extension of time for repayment of the loan | 10 Crores       | As when required |

As per the estimates, the above transactions would qualify as material related party transactions as they are likely to exceed 10% of the annual turnover of the Company for the financial year 2019-20.

Other information:

- 1) Name of the Related Party and relationship: As stated above
- 2) Name of the Directors / Key Managerial Personnel who is related, if any- Currently Mr. Bhavik R. Bhimjyani- Chairman and Managing Director, or his relatives.
- 3) Duration- as stated in the resolution
- 4) Monetary Value: Estimated Annual Values as mentioned in the resolution
- 5) Nature, material terms and particulars of the arrangement: The said loan is interest free loan and will be repayable on demand.
- 6) Any other information relevant or important for the Members to make a decision on the proposed transaction: None

Member's approval is sought for the aforesaid Material Related Party transactions entered/ to be entered in the upcoming financial years.

Except for Mr. Bhavik R. Bhimjyani or his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of this notice.

The above contracts/ arrangements/ transactions were approved by the Audit Committee and Board at its meeting held on 30<sup>th</sup> June, 2020 and recommended by the Board of Directors to the unrelated shareholders of the Company for their approval.

All entities/ persons that are directly/ indirectly related parties of the Company shall not vote to approve the said resolution.

Accordingly, all related parties of the Company will not vote to approve this resolution.

**By Order of the Board of Directors  
For R.T. Exports Limited**

**Bhavik R. Bhimjyani**  
**Chairman and Managing Director**  
**DIN: 00160121**  
Date: 23<sup>rd</sup> November, 2020

## ANNEXURE-A

### DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

#### I. Re-appointment of Director Retiring by Rotation

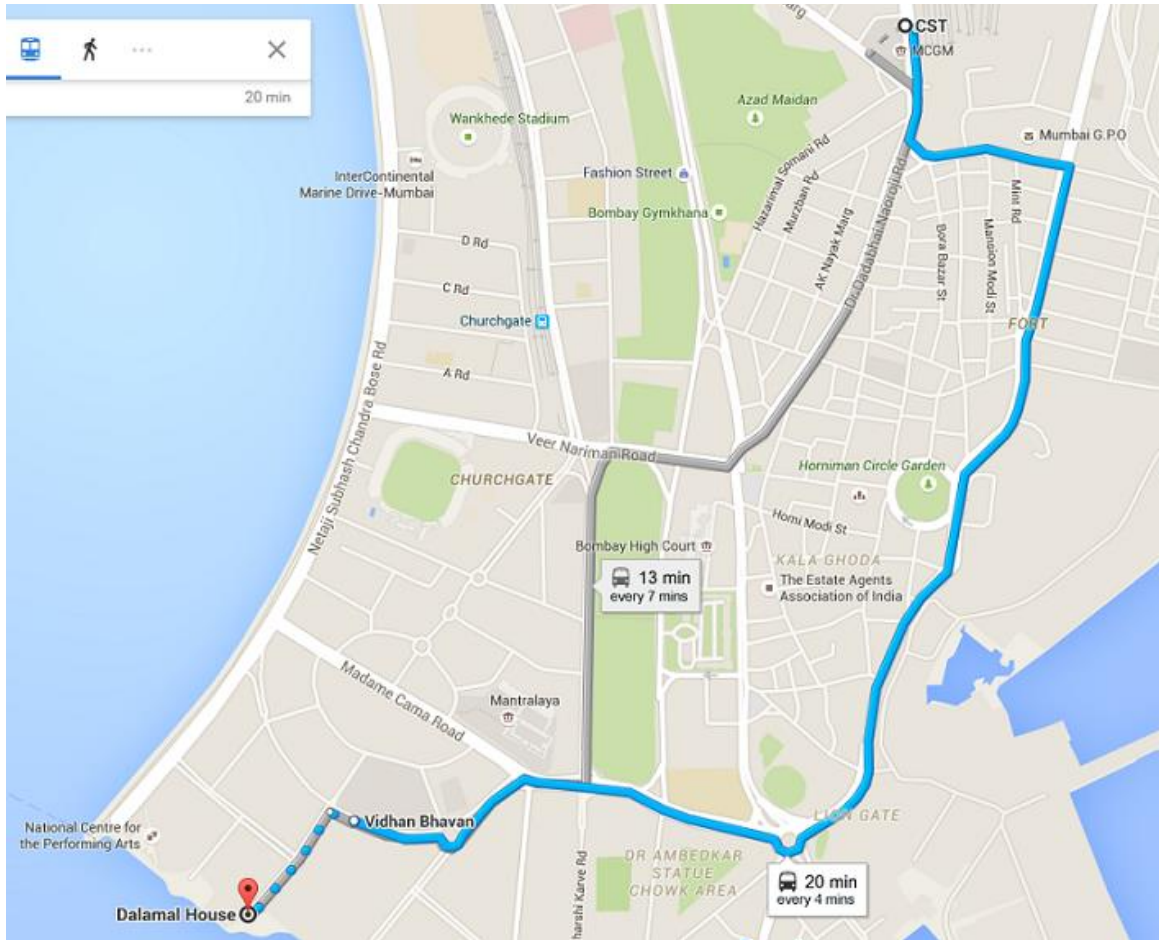
|  |  |
|--|--|
| <b>Name of the Director</b>  | <b>Mr. Bhavik Rashmi Bhimjyani</b>   |
| Age  | 42 years   |
| Date of appointment on the Board   | 11/02/2011   |
| Qualifications   | MBA  |
| Nature of expertise & experience   | Mr. Bhavik Bhimjyani possesses appropriate skills, experience and knowledge in managing business of larger scale. He was with the Mergers and Acquisitions Group at Lazard Freres in New York and worked on some of the firm's most successful deals such as the sale of Hot Jobs to Yahoo. He also worked at the Technology Group in Merrill Lynch Investment Bank in New York, USA. On returning to India sometime in 2003, Mr. Bhavik has been taking active interest in the family business.   |
| Relationship with other Director/Key Managerial Personnel                    | Mr. Bhavik Bhimjyani is a Chairman and Managing Director of the Company.   |
| Terms and conditions of appointment/re-appointment                           | He is appointed at the Board meeting held on 14/02/2019 and by members on 30/09/2019 as Chairman and Managing Director for a period of 5 years.  |
| Remuneration last drawn  | The Managing Director has waived his remuneration.   |
| Remuneration proposed to be paid   | The Managing Director has waived his remuneration.   |
| Number of meetings of the Board attended during the financial year (2019-20) | 7 Board Meetings   |
| Directorships held in other companies  | Asian Warehousing Limited<br>R Tulsidas Agro Products Private Limited<br>Neelkanth Realtors Private Limited<br>Neelkanth Woods And Construction Private Limited.<br>Titan Agri Developers Private Limited<br>Mountain View Agri Estates Private Limited<br>Neelkanth Agri Villas Private Limited<br>Rose Land Infrastructure Private Limited<br>Kutch Warehouses Private Limited<br>Neelkanth Land Developers Private limited<br>Amity Properties Private Limited<br>Harshdip Investments Private Limited<br>Neelkanth Realty Private Limited<br>Neelkanth Property Developers Private Limited<br>Golden Oil Equipment Private Limited |
| Memberships/Chairmanships of committees of other companies                   | Chairmanship: Nil<br>Membership: 2<br>(Committees considered are Audit Committee and Shareholders' Grievance Committee, in public limited companies other than R T Exports Limited)  |
| No. of shares held in the Company  | 678491   |



## II. Re-appointment of Independent Director

|  |   |
|--|---|
| <b>Name of the Director</b>  | <b>Mr. Yogesh Jaintilal Thakkar</b>   |
| Age  | 52 years  |
| Date of appointment on the Board   | 30/09/2015  |
| Qualifications   | B.com   |
| Nature of expertise & experience   | 25 years of experience in office administration and management as well as trading & marketing of products.  |
| Relationship with other Director/Key Managerial Personnel                    | Nil   |
| Terms and conditions of appointment/re-appointment                           | Appointed as an Independent Director of the Company for a period of five years on 30/09/2015  |
| Remuneration last drawn  | Nil   |
| Remuneration proposed to be paid   | Nil   |
| Number of meetings of the Board attended during the financial year (2019-20) | 7 Board Meetings  |
| Directorships held in other companies  | Asian Warehousing Limited   |
| Memberships/Chairmanships of committees of other companies                   | Chairmanship: 02<br>Membership: 02<br>(Committees considered are Audit Committee and Shareholders' Grievance Committee, in public limited companies other than R T Exports Limited) |
| No. of shares held in the Company  | Nil   |

## Route Map to the venue of AGM



## BOARDS' REPORT

To  
The Members,  
R T Exports Limited

Your Directors are pleased to present the 40<sup>th</sup> Annual Report of R T Exports Limited ("the Company") together with the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2020.

### 1. Financial Highlights:

The financial results for the year ended 31<sup>st</sup> March, 2020 compared to the previous financial year is summarized below:

| Particulars  | (Rs. In Lakhs)                    |                                   |
|--|-----------------------------------|-----------------------------------|
|  | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
| 1. Income  |                                   |                                   |
| (a) Revenue from operations                                      | 270.38                            | 463.77                            |
| (b) Other income   | 17.49                             | 20.12                             |
| Total Income   | 287.87                            | 483.89                            |
| 2. Earning Before Interest, Taxes, Depreciation and amortization | 21.54                             | 22.17                             |
| (c) Less: Finance costs  | 3.95                              | 58.77                             |
| (d) Less: Depreciation   | 9.89                              | 24.93                             |
| 3. Profit before tax   | 7.70                              | (61.53)                           |
| 4. Less:- Tax Expenses   | 0.75                              | (13.33)                           |
| 5. Profit/ (Loss) for the year (3-4)                             | 6.95                              | (48.20)                           |
| 6. Add: Other Comprehensive Income                               | 0.00                              | 1.17                              |
| <b>Total Comprehensive Income</b>                                | <b>6.95</b>                       | <b>(47.03)</b>                    |

The financial statements for the year ended 31st March, 2020 have been prepared as per the Indian Accounting Standards (Ind AS).

#### Nature of Business:

The Company is primarily engaged in the activities of Trading of Commodities which primarily includes exports of rice. There was no change in nature of the business of the Company, during the year under review.

#### Financial Review:

During the period under review, the Company's income from sales & Services stood at Rs.2,70,38,70/- as compared to Rs.4,63,76,503/- in 2018-2019. The Profit before tax was Rs.7,69,593/- as against Loss of Rs.61,53,038/- in the previous year. The Profit after tax was Rs. 6,94,593/- as against Loss of Rs. 48,19,563/- in the previous year.

Your Company is undertaking active efforts towards accelerating the growth speed and is optimistic about better performance in the future.

## **Report on Performance of Subsidiaries, Associates and Joint Venture Companies:**

The Company does not have any Subsidiary, Joint Venture or Associate Company within the meaning of Section 2(6) of the Companies Act, 2013.

## **Transfer to Reserve :**

The Company proposes to transfer credit balance of Profit and Loss Account amounting to Rs. 6,94,593 to General Reserves in the financial year ending as on 31<sup>st</sup> March, 2020 whereas in the previous financial year, the Company transferred the debit balance of Profit and Loss Account amounting to Rs. 48,19,563/- to General Reserve.

## **Dividend:**

With a view to conserve resources for expansion of business, your Directors have thought it prudent not to recommend any dividend for the financial year under review.

## **Unclaimed dividends**

There was no unpaid or unclaimed dividends declared, which was required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. There is no unpaid and unclaimed dividend lying with the Company as on 30<sup>th</sup> September, 2019 (date of the previous Annual General Meeting).

## **Deposits:**

During the year under review, your Company has neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

## **Internal financial control and its adequacy:**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

## **Disclosures Under Section 134(3)(L) of The Companies Act, 2013**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

## **Contracts or arrangements with related parties under Section 188 (1) of the Companies Act, 2013:**

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188 (1) of the Act, entered by the Company during the financial year, which were in the ordinary course of business and on an arm's length basis. However, the Company has entered into transactions/contracts/arrangements which could be considered as material as per LODR and section 188 of the Companies Act, 2013 in nature. Particulars in form AOC-2 are furnished as **Annexure 1**.

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions which has been uploaded on the Company's website at [http://www.rtexports.com/Corporate\\_Governance\\_policies.html](http://www.rtexports.com/Corporate_Governance_policies.html)

## **Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013:**

Particulars of loans given, investments made, guarantees given and securities provided during the year under review and as covered under the provisions of Section 186 of the Companies Act, 2013 have been disclosed in the notes to financial statements forming part of the Annual Report.

## **Extract of Annual Return**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return to the Board's Report is available on the website of the Company at [www.rtexports.com](http://www.rtexports.com)

## **Changes in Share Capital**

During FY 2019-20, there was no change in the authorized share capital as well as paid up share capital of the Company.

The Company has neither issued any shares with differential rights as to dividend, voting or otherwise nor issued any sweat equity shares during the year under review.

Further, your Company's equity shares are listed on the BSE Limited (BSE) and there is no change in the capital structure of the Company during the year under report.

## **Preference Shares:**

700000, 9% cumulative redeemable preference Shares issued to Nellkanth Realtors Private Limited. The said shares were redeemable on 31<sup>st</sup> March, 2020 but due to lockdown situation, consent was taken from preference shareholders to redeem on 30<sup>th</sup> June, 2020 and then it was further extended till 31<sup>st</sup> December 2020.

795415, 6% non-cumulative redeemable preference Shares issued to Harmony Holdings Limited and transferred to Kutch Warehouses Private Limited. The said shares were redeemable on 31<sup>st</sup> March, 2020 but due to lockdown situation, consent was taken from preference shareholders to redeem on 30<sup>th</sup> June, 2020 and then it was further extended till 31<sup>st</sup> December 2020

## **Borrowings**

Total borrowings stood at Rs.1,567.00 Lakhs as on Financial Year ended 31<sup>st</sup> March, 2020 whereas the amount stood at Rs. 1,512.39 Lakhs in the previous financial year ended 31<sup>st</sup> March, 2019.

## **Particulars of remuneration of Directors/ KMP/ Employees**

The table containing the names and other particulars of employees in accordance with the provisions of section 197(12) of the Companies Act, 2013 Read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as '**Annexure 2a**' to the Boards Report.

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and rule 5(2) and rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as '**Annexure 2b**' to the Board Report.

The Mentioned Annexures forms part of the Annual Report

## **2. Corporate Governance Report and Management Discussion and Analysis**

A separate report on Corporate Governance is provided together the Certificate from the Secretarial Auditor confirming compliance with the conditions of Corporate Governance as stipulated under Listing Regulations.

Pursuant to the provisions of Regulation 34 read with Schedule V of the Listing Regulations, the Management Discussion and Analysis report is attached separately which forms a part of this Annual Report.

## **MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **Composition of the Board**

As on March 31, 2020, R.T. Exports' Board consists of 4 Members. Besides the Chairman, an Executive Promoter Director, the Board comprises one Non-Executive non-promoter Woman Director and two Non-Executive Independent Directors. The composition of the Board is in conformity with the Listing Regulations enjoining specified combination of Executive and Non-Executive Directors with at least one Woman Director, with not less than fifty percent of the Board comprising of Non-Executive Directors and at least one-half of the Board comprising of Independent Directors for a Board Chaired by Executive Promoter Director.

## **Directors retiring by rotation**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the relevant rules made thereunder, one-third of the Directors are liable to retire by rotation every year and if eligible, offer themselves for re-appointment at the AGM.

Mr. Bhavik Rashmi Bhimjyani (DIN: 00160121), Managing Director being longest in the office, is liable to retire by rotation at the ensuing Annual General Meeting of the Company and he being eligible has offered himself for re-appointment. The Board of Directors recommend his re-appointment and the matter is being placed for seeking approval of members at the ensuing Annual General Meeting of the Company.

Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standard-2 on General Meetings, brief details of Mr. Bhavik Rashmi Bhimjyani, are provided as an Annexure-A to the Notice of the Annual General Meeting.

## **Key Managerial Personnel**

During the year under review, Mr. Rajeshkumar C. Pillai resigned from the post of Company Secretary and Compliance Officer w.e.f 7<sup>th</sup> January, 2020 consequently upon Ms. Mitali Shah was appointed Company Secretary and Compliance Officer w.e.f 16<sup>th</sup> August, 2020.

Apart from this, there was no change in the Key Managerial Personnel of the Company.

## **Independent Directors**

During the year under review, term of Independent Director Mr. Yogesh Thakkar (DIN: 07275147), has expired on 30<sup>th</sup> September, 2020 but is eligible for reappointment as an Independent director of the company for a second consecutive term of five years with effect from 1<sup>st</sup> October, 2020 upto 30<sup>th</sup> September, 2025. The Board of Directors in their meeting held on 15<sup>th</sup> September, 2020 have approved his appointment for second term subject to approval of Members in an AGM.

In the opinion of the Board, Independent Directors fulfil the conditions specified in Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Listing Regulations and are independent from Management

Independent Directors are yet to undertake the online proficiency self assessment test as contemplated under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

## **DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES**

### **Number of Meetings of the Board**

During the Financial Year 2019-2020, 7 (Seven) number of Board Meetings were held. For details thereof kindly refer to the section 'Board of Directors- Number of Board Meetings', in the Corporate Governance Report.

## **Directors' Responsibility Statement:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of section 134(3)(c) of the Companies Act, 2013 that:

- i) in the preparation of the Annual Accounts for the financial year ended 31st March, 2020, the applicable accounting standards and Schedule III of the Companies Act, 2013, had been followed along with proper explanation relating to material departures, if any;
- ii) such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on that date;
- iii) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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;
- v) internal financial controls laid down by the Company are adequate and operating effectively; and
- vi) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## **Committees of Board**

Currently the Board has Three Committees: the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

A detailed note on the Board and its Committees is provided under the Corporate Governance Report section in this Annual Report. The Composition of the Committees and Compliances as per the applicable provisions of the Act and Rules, are as follows:

### **i) Audit Committee:**

An Audit Committee has been constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Composition of Audit Committee and particulars of meetings held and attendance thereat by members along with the terms of reference of the Committee is mentioned Corporate Governance Report forming part of this Annual report.

During the year under review, all recommendations made by the Audit Committee were accepted by the Board of Directors.

### **ii) Nomination & Remuneration Committee:**



A Nomination and Remuneration Committee has been constituted in accordance with the provisions of sub-section (1) of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations. Committee. The Composition of Nomination and Remuneration Committee and particulars of meeting(s) held and attendance thereat by members along with the terms of reference of the Committee is mentioned Corporate Governance Report forming part of this Annual report.

The Nomination and Remuneration Committee has framed the Nomination and Remuneration Policy in accordance with the requirement of SEBI (LODR) Regulation, 2015, which is available on our website, [http://www.rtexports.com/Corporate\\_Governance\\_policies.html](http://www.rtexports.com/Corporate_Governance_policies.html) and forms part of this report.

The Nomination and Remuneration Policy of the Company is disclosed under **Annexure-3** and forms part of this report.

During the year under review, all the recommendations made by the Nomination & Remuneration Committee relating to remuneration & compensation of Executive Directors & Senior Management were accepted by the Board.

iii) **Stakeholders Relationship Committee:**

Stakeholders Relationship have been cordial during the year. As a part of the compliance, the Stakeholders Relationship Committee is constituted by the Board of Directors comprising of Manohar Kumar ( Chairman), Bhavik Bhimjyani and Yogesh Thakkar as other Members. The Committee deals with the issues relating to investors. There were no investor grievances pending as on 31<sup>st</sup> March, 2020. A confirmation to this effect has been received from the Company's Registrar and Share Transfer Agent.

iv) **Whistle-Blower Policy (vigil mechanism):**

The Company has adopted the whistle – Blower mechanism for all stakeholders including individual employees and their representative bodies to report to the Management, instances of unethical behaviour, actual or suspected fraud or violation of the Company's Codes or CG Policies. The said policy is also available on our website, [http://www.rtexports.com/Corporate\\_Governance\\_policies.html](http://www.rtexports.com/Corporate_Governance_policies.html)

v) **Risk Management Policy:**

The Board of Directors of the Company has put in place a Risk Management Policy which aims at enhancing shareholders' value and providing an optimum risk-reward tradeoff. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

## Performance Evaluation of the Board, its Committees and Individual Directors

The Nomination and Remuneration Committee of the Board has formulated a Performance Evaluation Framework, under which the Committee has identified criteria upon which every Director, every Committee, and the Board as a whole shall be evaluated. During the year under review the evaluation of every Director, every Committee, and the Board had been carried out.

### 3. Auditors and Reports:

#### i. Statutory Auditors

At the Annual General Meeting held on September 29, 2017, M/s. Pathak H.D & Associates, Chartered Accountants, (Firm Registration No.107783W), were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2022.

#### Observations of Statutory Auditors on Accounts for the year ended 31st March, 2020

The Auditors Report for the financial year ended 31st March, 2020 does not contain any qualification, adverse remark or reservation and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

#### ii. Secretarial Auditor

Anjana Manseta & Co., Company Secretaries, were appointed to conduct the secretarial audit of the Company for the financial year 2019-20, as required under Section 204 of the Companies Act, 2013 and Rules made thereunder. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks

The Secretarial Audit Report for FY 2019-20 forms part of the Annual Report as **Annexure-4** to the Board's Report.

#### iii. Internal Audit and Control

The Company has robust internal audit system for assessment of audit findings and its mitigation. The Internal Audit function covers all the stores, inventory audit, stock takes, audit for project related accounts, corporate accounts etc.

Mr. Jayesh Vora, Chartered Accountant was appointed as an Internal Auditor of the Company by the Board at its meeting held on 13.02.2020 and the Internal Auditor directly reports to the Audit Committee for functional matters. The Audit Committee in its quarterly meetings reviews the internal audit and controls reports. Company's internal controls are commensurate with the size and operations of the business. Continuous internal monitoring mechanism ensures timely identification and redressal of issues.

## **Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government**

The Statutory Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including the Rules made thereunder.

## **Secretarial Standards**

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

## **Disclosure under Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013**

At R. T. Exports, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age.

The Company has implemented a system for reporting on any instance of sexual harassment under The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy. An Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year:

No. of complaints received: Nil

No. of complaints disposed off : NA

## **Significant and material orders**

- 1) Vide Order dated 10th April, 2015, High Court, Bombay sanctioned the Scheme of De-merger of the warehousing business of the Company. The Company implemented the said Scheme based on the Hon'ble High Court's Order. However, Hon. High Court, Bombay, had issued an Order staying the further implementation of the Scheme based on the prayers of a shareholder in the Company Application filed with the Hon. Court.

The Hon. High Court, Bombay, now have dismissed the above Company Application as withdrawn.

- 2) A Company Petition was filed against the Company seeking various reliefs therein before the Hon'ble NCLT, Mumbai Bench, by the above shareholder, on receipt of notice of requisitioned meeting by them. The Hon. NCLT allowed the Company to hold the requisitioned meeting as scheduled, but outcome being subject to further orders of the Hon. NCLT.

Now by an Order the Hon. NCLT, Mumbai Bench have dismissed the above Company Petition.

Therefore, the Company has started to complete the De-merger process.

## **Industrial Relations**

The Company maintained healthy, cordial and harmonious industrial relations at all levels. There are no significant and material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

## **4. Corporate Social Responsibility (CSR):**

Threshold levels for CSR coverage are prescribed under the Companies Act, 2013 and rules made thereof. Since your Company does not fall under the category provided therein, no Corporate Social Responsibility Committee has been formed by the Board. Once CSR becomes applicable to the Company, CSR Committee will be formed and Policy will be adopted by the Company.

## **5. Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo:**

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, is as follows:

### **A. Conservation of energy:**

The requirement for disclosure of particulars with respect to conservation of energy is not applicable to agro export of the Company.

### **B. Technology absorption:**

#### **a) Efforts made towards technology absorption:**

The Company has limited scope in technology adoption and therefore not acquired new technology during the year.

#### **b) Benefit to be derived as a result of the above:**

Not applicable

#### **c) Research & Development:**

Your Company is in to trading and export of agri commodities and there is very limited scope for Research and Development (R&D). The Company has not incurred any expenses on R&D during the year.

## C. Foreign exchange earning & outgo:

During the year under report, there were no Foreign exchange earnings or outgo.

## 6. General:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions for the same during the year under review:

- a) Non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;
- b) Revision of the financial statements pertaining to previous financial periods during the financial year under review;
- c) Receipt of any remuneration or commission from any of its subsidiary companies by the Managing Director or the Whole-Time Directors of the Company;
- d) Maintenance of cost records as per sub-section (1) of Section 148 of the Companies Act, 2013;

## 7. COMPANY AFFIRMATION OF READINESS TOWARDS COVID-19

India is going through a tough phase of a global pandemic—Novel Coronavirus disease (COVID-19). The Government of India had announced the National Lock-down in March, 2020 and took all possible measures to keep a check on the spread of this disease within the country.

Accordingly, to ensure the safety and wellbeing of all employees & stakeholders and in line with various advisories, directives and orders issued by Local, Municipal Corporations/ State Government/ Central Government, the Company had temporarily shut down its activities and also implemented the following:

- Putting in place Work from Home Policy (WFH) for the employees of the Company;
- Strictly adhering to the “Do’s and Don’ts” advised by the Public Health Authorities;
- Only essential staff are being called on duty with staggered timings to be followed in order to minimise physical interaction in the Office.

## Acknowledgement :

Yours Directors place on record their 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 on behalf of the Board of Directors  
R T EXPORTS LIMITED**

**Bhavik R. Bhimjyani  
Chairman and Managing Director  
DIN: 00160121**

**Place: Mumbai**

**Date: 23<sup>rd</sup> November, 2020**

## Annexure 1 – Particulars of contracts / arrangements made with related parties

### FORM NO. AOC-2

*[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8 (2) of the Companies (Accounts) Rules, 2014 – AOC-2]*

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

| Sl. No. | Particulars   | Remarks  |
|---------|---|--|
| 1       | Details of contracts or arrangements or transactions not at arm's length basis  | There were no contracts or arrangements or transactions entered into during the year ended March 31, 2020, which were not at arm's length basis. |
|         | (a) Name(s) of the related party and nature of relationship   | N.A  |
|         | (b) Nature of contracts/ arrangements/ transactions   | N.A  |
|         | (c) Duration of the contracts/ arrangements/ transactions   | N.A  |
|         | (d) Salient terms of the contracts or arrangements or transactions including the value, if any                        | N.A  |
|         | (e) Justification for entering into such contracts or arrangements or transactions                                    | N.A  |
|         | (f) Date(s) of approval by the Board  | N.A  |
|         | (g) Amount paid as advances, if any:  | N.A  |
|         | (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | N.A  |

|     |  |   |  |
|-----|--|---|--|
| 2   | Details of material contracts or arrangement or transactions at arm's length basis |   | Company has not entered into new material related party contracts during the year.   |
| (i) | (a)  | Name(s) of the related party and nature of relationship                                     | Mr. Bhavik Bhimjyani<br>(Key Managerial Personnel)   |
|     | (b)  | Nature of contracts/arrangements/transaction  | Unsecured Interest free Loan   |
|     | (c)  | Duration of the contracts/arrangements/transaction  | Temporary  |
|     | (d)  | Salient terms of the contracts or arrangements or transactions including the value, if any: | Interest-free loans and advances to the company to meet its requirements.  |
|     | (e)  | Date(s) of approval by the Board, if any:   | 30 <sup>th</sup> May, 2019 (Audit Committee)   |
|     | (f)  | Amount paid as advances, if any:  | Opening balance: Rs. 16,97,900/-<br>Received during the year: Rs. 46,05,251/-<br>Re-paid during the year: Rs.44,66,883/-<br>Balance as on 31 <sup>st</sup> March, 2020: Rs.18,36,268/- |

Note: All appropriate approvals have been taken by the company with respect to the related party transactions.

**For and on behalf of the Board of Directors**

**Bhavik R. Bhimjyani**  
**Chairman and Managing Director**  
**DIN: 00160121**

**Place: Mumbai**

**Date: 23<sup>rd</sup> November, 2020**

## Annexure 2a & Annexure 2b – Particulars of employees

a) Information as per Rule 5 (1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

None of the directors including Managing Director has been paid any remuneration and perquisites. The nomination and remuneration committee continuously reviews the position of the Company. The Committee has recommended that Directors can draw remuneration once the company starts making good net profit. Therefore, Rule 5 (1) is not applicable to the Company.

Remuneration of other Key Managerial Personnel (KMP)

| Name of the KMP     | Title                        | Remuneration in fiscal 2020 (in Rs. Lakhs) | Remuneration in fiscal 2019 (in Rs. Lakhs) | % increase of remuneration in 2020 as compared to 2019 | Excl. WTD Ratio of remuneration to MRE | Incl. WTD Ratio of remuneration to MRE and WTD (2) | Ratio of Remuneration to      |                          |
|---------------------|------------------------------|--|--|--|--|--|-------------------------------|--------------------------|
|                     |                              |  |  |  |  |  | Revenues (fiscal 2020) (2)(3) | Net profit (fiscal) 2020 |
| Bhavik Bhimjyani    | Chairman & Managing Director | 0  | 0  | 0  | 0                                      | 0  | 0                             | 0                        |
| Kirtikumar Pandya   | Chief Financial Officer      | 6.00                                       | 0  | 0  | 0                                      | 0  | 0.02                          | 0.86                     |
| *Rajeshkumar Pillai | Company Secretary            | 8.00                                       | 12.00                                      | 0  | 0                                      | 0  | 0.03                          | 1.15                     |

\*Mr. Rajeshkumar Pillai resigned from the post of Company Secretary and Compliance Officer w.e.f January 07,2020.

The Median Remuneration of Employees (MRE) excluding Whole-time Directors (WTDs) was Rs.14,00,000/- and Rs.12,00,000/- in fiscal 2020 and fiscal 2019, respectively.

The Median Remuneration of Employees (MRE) including Whole-time Directors (WTDs) will be the same as no remuneration is paid to the Directors.

The number of permanent employees on the rolls of the Company as of March 31, 2020 and March 31, 2019 were 1 and 3 respectively.

The revenue decrease during fiscal 2020 compared to fiscal 2019 was 41.70% and net profit growth was 114.41%. The aggregate remuneration of employees excluding WTD grew by nil % over the previous fiscal.



average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

During fiscal 2020, no remuneration was paid to Directors and therefore it is not possible to state that no employee received remuneration in excess of the highest-paid director.

The remuneration is as per the Nomination and Remuneration Policy of the Company.

**b) Information as per Rule 5(2) and 5(3) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

As there is no employee who:

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore Two Lakhs rupees;
- (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight lakhs Fifty Thousand rupees per month;
- (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

The statement containing information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the company.

- (iv) Details of top 10 employees as per the terms of remuneration drawn as required under provisions of Section 197 of the Companies Act, 2013 and rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available and shall be sent to Members electronically who request for the same by sending e-mail to Company at [headoffice@rtexports.com](mailto:headoffice@rtexports.com) from their registered e-mail address.

## Annexure - 3

### Executive Remuneration Philosophy / Policy

R.T. Exports Ltd. ("the Company") adopts/shall adopt this Executive Remuneration Philosophy/Policy. This philosophy/ policy is detailed below.

#### Executive Remuneration Philosophy/Policy

At R.T. Exports Ltd., we expect our executive team to foster a culture of growth and entrepreneurial risk-taking. Our Executive Remuneration Philosophy/Policy supports the design of programs that align executive rewards – including incentive programs, retirement benefit programs, promotion and advancement opportunities – with the long-term success of our stakeholders.

#### *Our business and organizational model*

Our Group is organized in a manner such that there is sharing of resources and infrastructure. This results in uniformity of business processes and systems thereby promoting synergies and exemplary customer experiences.

#### I. Objectives of the Executive Remuneration Program

Our executive remuneration program is designed to attract, retain, and reward talented executives who will contribute to our long-term success and thereby build value for our shareholders.

Our executive remuneration program is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis
2. Emphasize "Pay for Performance" by aligning incentives with business strategies to reward executives who achieve or exceed Group, business and individual goals.

#### II. *Executives*

Our Executive Remuneration Philosophy/Policy applies to the following:

1. Directors of the Company
2. Key Managerial Personnel: Chief Executive Officer and equivalent, Managing Director), Chief Financial Officer and Company Secretary.
3. Senior Management

#### III. *Business and Talent Competitors*

We benchmark our executive pay practices and levels against peer companies in similar industries, geographies and of similar size. In addition, we look at secondary reference (internal and external) benchmarks in order to ensure that pay policies and levels across the Group are broadly equitable and support the Group's global mobility objectives for executive talent. Secondary reference points bring to the table, the executive pay practices and pay levels in other markets and industries, to appreciate the differences in levels and medium of pay and build in as appropriate for decision making.

#### IV. *Executive Pay Positioning*

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long term incentive pay-outs at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. We recognize the size and scope of the role and the market standing, skills and experience of incumbents while positioning our executives.

We use secondary market data only as a reference point for determining the types and amount of remuneration while principally believing that target total remuneration packages should reflect the typical cost of comparable executive talent available in the sector.

#### V. *Executive Pay-Mix*

Our executive pay-mix aims to strike the appropriate balance between key components: (i) Fixed Cash compensation (Basic Salary + Allowances) (ii) Annual Incentive Plan (iii) Long-Term Incentives (iv) Perks and Benefits

##### Annual Incentive Plan:

We tie annual incentive plan pay-outs of our executives to relevant financial and operational metrics achievement and their individual performance. We annually align the financial and operational metrics with priorities/ focus areas for the business.

##### Long-Term Incentive:

Our Long-term incentive plans incentivize stretch performance, link executive remuneration to sustained long term growth and act as a retention and reward tool.

We may use stock options as the primary long-term incentive vehicles for our executives as we believe that they best align executive incentives with stockholder interests.

#### VI. *Performance Goal Setting*

We aim to ensure that for both annual incentive plans and long term incentive plans, the target performance goals shall be achievable and realistic.

Threshold performance (the point at which incentive plans are paid out at their minimum, but non-zero, level) shall reflect a base-line level of performance, reflecting an estimated 90% probability of achievement.

Target performance is the expected level of performance at the beginning of the performance cycle, taking into account all known relevant facts likely to impact measured performance.

Maximum performance (the point at which the maximum plan payout is made) shall be based on an exceptional level of achievement, reflecting no more than an estimated 10% probability of achievement.

## VII. *Executive Benefits and Perquisites*

Our executives are eligible to participate in our broad-based retirement, health and welfare, and other employee benefit plans. In addition to these broad-based plans, they are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Group.

### *Other Remuneration Elements*

Each of our executives is subject to an employment agreement. Each such agreement generally provides for a total remuneration package for our executives including continuity of service across the Group Companies.

### *Risk and Compliance*

We aim to ensure that the Group's remuneration programs do not encourage excessive risk taking. We review our remuneration programs for factors such as, remuneration mix overly weighted towards annual incentives, uncapped pay-outs, unreasonable goals or thresholds, steep pay-out cliffs at certain performance levels that may encourage short-term decisions to meet pay-out thresholds.

### *Claw back Clause:*

In an incident of restatement of financial statements, due to fraud or non-compliance with any requirement of the Companies Act 2013 and the rules made thereafter, we shall recover from our executives, the remuneration received in excess, of what would be payable to him / her as per restatement of financial statements, pertaining to the relevant performance year.

### *Implementation*

The Group and Business Centre of Expertise teams will assist the Nomination & Remuneration Committee in adopting, interpreting and implementing the Executive Remuneration Philosophy/Policy. These services will be established through "arm's length", agreements entered into as needs arise in the normal course of business.

## Annexure-4

### FORM MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2020

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
**The Members,**  
**R T Exports Limited**  
**CIN: L51900MH1980PLC022582**  
508, Dalamal House,  
Jamnalal Bajaj Road,  
Nariman Point,  
Mumbai-400 021

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **R T Exports Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended **31<sup>st</sup> March, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **R T Exports Limited** ("**The Company**") for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:
  - I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder and the applicable provisions of the Companies Act, 1956;
  - II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company:-
    - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [**Not Applicable as the Company has not issued any further share capital during the Audit Period**];

- iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [**Not Applicable as the Company has not issued and listed any debt securities during the financial year under review**];
  - vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client [**Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review**];
  - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [**Not Applicable as the Company has not delisted/proposed to delist its equity shares from Stock Exchange during the financial year under review**]; and
  - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [**Not Applicable as the Company has not bought back/proposed to buy-back any of its securities during the financial year under review**];
- VI. The management has identified and confirmed the following laws as specifically applicable to the company:
- (a) Factories Act, 1948
  - (b) Industrial Disputes Act, 1947
  - (c) The Payment of Wages Act, 1936
  - (d) The Minimum Wages Act, 1948
  - (e) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
  - (f) The Payment of Bonus Act, 1965
  - (g) The Payment of Gratuity Act, 1972
  - (h) The Contract Labour (Regulation & Abolition) Act, 1970
  - (i) Employees' State Insurance Act, 1948
  - (j) Water (Prevention and Control of Pollution) Act, 1974
  - (k) Air (Prevention and Control of Pollution) Act, 1981

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (iii) We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above.

In respect of other laws specifically applicable to the Company, I have relied on the information/record produced by the Company during the course of my audit and the reporting is limited to that extent.

#### **I further report that:-**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**I further report that:-**

- 795415, 6% Non-cumulative redeemable preference shares having a face value of Rs.100/- each issued by the company are due for redemption on 31.12.2020.
- 700000, 9% Cumulative preference shares having a face value of Rs.100/- each issued by the company are due for redemption on 31.12.2020.

The Company is in the process of obtaining the required approvals for the reduction of above referred preference share capital.

- To give effect to the Scheme of Demerger, the resulting company, Asian Warehousing Private limited got converted into Public Limited Company on 8th December, 2018 and is in the process of getting its equity shares listed on Bombay stock exchange.

I further report that Based on review of compliance mechanism established by the Company and on the basis of the information provided by the company, we are of the opinion that there are adequate systems and processes in place in the company which is commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Date : 18<sup>th</sup> November 2020**

**For Anjana Manseta & Co.  
Company secretaries**

**Anjana Manseta  
(Proprietor)  
FCS No. : 10078  
CP No. : 10668  
UDIN:F010078B001246555**

*Note: This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.*

## Annexure A to the Secretarial Audit Report

The Members

**R.T. Exports Limited**

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on the random test basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**Date : 18 November,2020**

**For Anjana Manseta & Co.  
Company secretaries**

**Anjana Manseta  
(Proprietor)  
FCS No. : 10078  
CP No. : 10668  
UDIN:F010078B001246555**



## MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors are pleased to present the Management Discussion and Analysis for the year ended March 31, 2020.

## BUSINESS OVERVIEW

Your Company is in to trading of agri products, mainly rice. Your Company exports rice from India, key business to earn foreign exchange. Further, your Company also do trading locally. In developing economies, the growth is powered by increasing young population, growing disposable income, life-style changes etc. In developed economies where penetration and usage are already high, new products addressing even more needs are emerging to expand and/or change the face of the market. That is where your company fits snugly in the scheme of things. And your Company is positioned right there. Changing economic and business conditions, evolving consumer preferences, rapid technological innovation and adoption and globalization are creating an increasingly competitive market environment that is driving corporations to transform the manner in which they operate.

## OVERALL SCENARIO

India is one of the largest consumers of rice, which is mainly consumed as a staple food by more than 70% of the population. Indian Basmati rice exports are expected to post strong growth in FY20 and FY21 on the back of improved demand in the international market, especially from Iran and transference of higher paddy prices over the last two procurement seasons.

Basmati rice industry is expecting a rebound in 2020-21. In the past two years, the Basmati rice industry has been under financial stress on account of excess paddy supply and weak international demand, leading to a sharp decline in realizations.

According to an ICRA note, Indian Basmati rice exports have witnessed a strong revival in the current fiscal with 22% growth in value in 9MFY18 over the previous fiscal after having been on the downward trajectory over FY15 to FY17.

A recent article quoting a senior official of ICRA stated: "The export demand, which has remained subdued for the last two years, is expected to witness a pickup in the coming months when a majority of the export orders are received. This is expected to push up the realizations in H2 FY2019 and FY2020. Most of the large exporters, who are holding relatively lower priced inventory, are expected to benefit from this. While paddy prices have inched up in the current procurement season, this would be comfortably covered by growth in realizations."

The concern, however, is that the export volumes have largely remained stagnant, in line with last few years.

## ECONOMIC ENVIRONMENT:

R.T. Exports Ltd. is a Public Limited Company, incorporated and domiciled in India and has its registered office in Mumbai, Maharashtra, India. It is listed in BSE Limited. The future is going to be a lot different from what it is today. The financial year 2019-20 has been a year marked with both excitement and challenges for the global as well as the Indian economy.

The Global Economic continued to maintain a slow growth trajectory and recorded estimated growth rate of 2.9 % in 2019, its slowest pace since the global financial crisis of 2008. Persistent trade uncertainties between the US and China, idiosyncratic factors leading the macroeconomic stress in several emerging market economic, and structural factors such as low productivity and an aging advanced economics further contributed to the decline of an ailig economy .

Rising trade barriers and associates uncertainly weighed heavily on business segment and activity, globally, in advanced economies and China specially, this development magnified cyclical and structural slowdowns. Tighter financial conditions in Argentina ,geopolitical tension in Iran and social unrest in Venezuela Libya , Yeman worsened macroeconomic stress to overall global economics growth. Towards the end of 2019-20, the Covid-19 pandemic weakned havoc and disrupted global supply chains and international trade.

## **DISCUSSION ON FINANCIAL INFORMATION**

### **Overview**

The financial statements of the Company have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standard) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

### **Financial condition**

#### **Sources of Funds**

##### **1. Share capital**

Share Capital of your Company comprises of three classes of shares – equity shares having a face value Rs. 10/- each, 6% Non- Cumulative Redeemable Preference shares having a face value of Rs. 100/- each and 9% Cumulative Redeemable Preference Shares having a face value of Rs.100/- each. Our authorized share capital is Rs 36.00 Crores, divided into 1,70,00,000 equity shares of Rs. 10/- each and 19,00,000 preference shares of Rs. 100/- each. The issued, subscribed and paid up capital stood at Rs. 4,35,90,000/- as at March 31, 2020, divided into 43,59,000 equity shares of Rs. 10/- each.

The Company has 7,00,000 9% cumulative redeemable preference Shares of Rs.100 each fully paid and 795,415 6% non-cumulative redeemable preference Shares of Rs.100 each fully paid up as issued, subscribed and paid up preference shares as on 31<sup>st</sup> March, 2020. However, as per IND AS, the preference shares of the Company are classified under the Borrowings.

##### **2. Reserves and Surplus**

#### **Capital Redemption Reserve**

The balance as at March 31, 2020 stood at Rs. 5.53 Lakh/- same as the previous year.

#### **Securities premium**

The balance as at March 31, 2020 stood at Rs. 355.67/- Lakh, same as the previous year.

## Retained Earning

The net profit of Rs 6.95/- lakh for the year ended March 31, 2020 was transferred to the general reserves account. (previous year loss Rs.48.20 Lakh) The balance as at March 31, 2020 amounted to Rs 133.50/- lakh (previous year Rs. 126.55/- lakh).

## Application of funds

### 3. Fixed assets

#### Additions to gross block

During the year, we have capitalized Rs. 68.75/- Lakh whereas in the previous financial year, the amount stood at Rs.0.43/- lakh to our gross block for Property, Plant & Equipment.

#### Deductions to gross block

During the year, there is deduction of Rs. 33.56/- lakh from the gross block of Building ,Vechile and Furniture and fixture. (previous year deduction was Rs. 2.90/- lakh)

#### Deferred tax Liability

(Amount in lakh.)

| Particulars            | 31.03.2020 | 31.03.2019 |
|------------------------|------------|------------|
| Deferred Tax liability | 0          | 13.47/-    |

The movement in deferred tax liabilities is on account of the depreciation & gratuity.

#### Trade Receivables

Trade receivables amounted to Rs 13.19 lakh as at March 31, 2020, compared to Rs. 7.85/-lakh as at March 31, 2019. These debts are considered good and realizable.

#### Cash and cash equivalents

Cash and cash equivalents include balance with Banks and cash in hand.

#### Financial Assets and other non-current assets

The following tables give the details of our Financial Assets and other non-current assets.

Financial Assets and other non-current assets.

(Amount in Rs.)

| Particulars                                | 31.03.2020   | 31.03.2019   |
|--|--------------|--------------|
| Security Deposits                          | 1,87,840     | 1,87,840     |
| Loans & Advances (Related Party)           | 23,44,34,299 | 23,44,34,299 |
| Advance Income Tax & TDS                   | 48,922       | 69,012       |
| Others                                     | 26,52,526    | 26,52,526    |
| Interest accrued on Investments            | 27,035       | 27,035       |
| Staff Advance recoverable in cash and Kind | 0            | 0            |
| TOTAL                                      | 23,73,50,622 | 23,73,70,712 |

## Current Liabilities and Trade Payables

(Amount in Rs.)

| Particulars                 | 31.03.2020       | 31.03.2019       |
|-----------------------------|------------------|------------------|
| Trade Payables              | 18,69,606        | 21,10,570        |
| Bank Overdraft              | 0                | 16,49,914        |
| Others (Statutory Payments) | 8,42,034         | 7,24,632         |
| Others                      | 19,43,854        | 3,93,319         |
| <b>TOTAL</b>                | <b>46,55,494</b> | <b>48,78,435</b> |

## RESULTS OF OPERATIONS

### SALES AND MARKETING

The year witnessed an unprecedented move of demonetization by the government, right after the festive season got over. The Company took a hit on its trading during the year.

### EXPORT

Export business of the Company did not do well during the year.

### COMPANY AND PERFORMANCE OVERVIEW

During the F.Y. 2020, your Company's revenue was Rs. 2,70,38,270/- whereas revenue figures for the previous year were Rs. 4,63,76,503/-.

Your company follows strong customer engagement leading new business from existing and new customers. We have intensified new customer development and is hopeful to see the demand pick up as the macro-economic conditions see a turn around helped by Government initiatives and good monsoons.

(Rs. In Lakh)

| Particulars |                             | 2019-20       | 2018-19       |
|-------------|-----------------------------|---------------|---------------|
| 1           | <b>Income</b>               |               |               |
|             | (a) Revenue from operations | 270.38        | 463.77        |
|             | (b) Other income            | 17.49         | 20.12         |
|             | <b>Total Income</b>         | <b>287.87</b> | <b>483.89</b> |

|   |  |                     |              |                |
|---|--|---------------------|--------------|----------------|
| 2 | <b>Earnings Before Interest, Taxes Depreciation and amortization</b> |                     | <b>21.54</b> | <b>22.17</b>   |
|   | (c)  | Less: Finance costs | 3.95         | 58.77          |
|   | (d)  | Less: Depreciation  | 9.89         | 24.93          |
| 3 | <b>Profit before taxes</b>   |                     | <b>7.70</b>  | <b>(61.53)</b> |
| 4 | <b>Less: Tax expense:</b>  |                     | <b>0.75</b>  | <b>(13.33)</b> |
| 5 | <b>Profit/(Loss) for the year (3-4)</b>                              |                     | <b>6.95</b>  | <b>(48.20)</b> |
| 6 | <b>Add: Other Comprehensive Income</b>                               |                     | <b>0</b>     | <b>1.17</b>    |
|   | <b>Total Comprehensive Income</b>                                    |                     | <b>6.95</b>  | <b>(47.03)</b> |

## Income

Of the total revenues for the year ended March 31, 2020, approximately 93.93% were derived from sale of products and remaining 6.07% from other income like Interest Income, Rent received, profit on sale of flat, sundry balance written back, other receipts, etc.

## Expenditure

Purchases of stock in trade includes Rice Purchase. Employee benefit expense relates to Salaries and wages and Staff welfare expenses. Finance cost relates to interest expense. Other expenses primarily represents repairs and maintenance, insurance, rate and taxes, travelling & conveyance expenses, telephone expenses, advertising expenses, legal and professional charges, etc.

## Depreciation and amortization

We have provided Rs. 9.89 lakh and 24.93 towards depreciation and amortization, for the years ended March 31, 2020 and March 31, 2019 respectively.

## Sensitivity to rupee movement

Company is sensitive to change in US Dollar value change as one segment of the company is in to export.

## Provision for tax

We have provided for our tax liability.

## Net profit after tax and exceptional item

Net profit stood at Rs. 6.95 Lakhs for the year ended March 31, 2020 in comparison with net loss of Rs. 48.20/- in the previous year.

## **Earnings Per Share (EPS) after exceptional item**

During the year, our basic EPS after exceptional item increased to Rs. 0.16 per share from Rs. (1.11) per share in the previous year.

## **STRENGTH, STRATEGY, OPPORTUNITIES AND THREATS**

### **1) OUR STRENGTHS**

We believe in our competitive strengths including leadership in delivering good quality product that enable clients in turn to deliver improved business results in addition to optimizing the efficiency of their business. Our proven, commitment to quality and process execution, strong brand, long-standing client relationships, commitment and dedication will eventually take us to the position of a leading competitive player.

### **2) HUMAN CAPITAL**

Your company strongly believes that our people are our greatest assets, they give your company its unique competitive edge. Your company recognizes and nurtures their strengths through a structured Talent Management process focused on capability building. The process also ensures continuous talent availability, through job rotations, job enlargements, Cadre building programs, leveraging talent for different roles. Your company is committed to continuously engaging its employees as key drivers for shareholder value creation. Customized Unit level and Manager level Employee engagement action plans have enabled our company to take positive steps in this journey. Employee morale was fostered through encouraging "appreciation sharing".

### **3) OUR STRATEGY**

With an objective to sustain growth, your Company is pursuing several strategic initiatives in all key areas of business. The key elements of strategy include strengthening the product portfolio, refresh and update existing products and strengthen the Marketing Team. In addition, your Company is pursuing expansion in overseas markets. Establishing the channel and building the brand in key focus markets remain the priorities for your Company. We seek to further strengthen our march towards a leading global agri product trading and export house by:

- Strengthening our strategic partnership with our clients
- Increasing our relevance to clients by being able to work in the entire spectrum of their business
- Delivering higher business value to clients through the alignment of our structure and offerings to their business objectives.
- To achieve these goals, we seek to increase business from existing and new clients, continue to enhance our engagement models and offerings, expand geographically, continue to develop deep industry knowledge, pursue alliances and strategic acquisitions, enhance brand visibility and continue to invest in infrastructure and employees.

## 4) OPPORTUNITIES

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

## 5) THREATS

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

## 6) OUTLOOK

As the Impact of the Coronavirus Covid-19 pandemic outbreak becomes profound and widespread in FY2020-21, economic outlook is severely impaired. The Economy is expected contract by 4.5 % in Fiscal 2019-20. The nationwide lockdown posed massive challenges to business continuity and alerted the economic forecast quite frequently, import restrictions on key raw materials from China.

The outbreak Coronavirus Covid-19 pandemic of Globally and in India is causing significant disturbance and slowdown of economic activity. In assessing the recoverability of Company's assets such as financial asset and non-financial assets, the Company has considered internal and external information.

## RISK MANAGEMENT

The Board of Directors and the Audit Committee of the Board review the business risks to which your Company is exposed and the mitigation plans. The senior management team led by Director

and CFO is entrusted to manage risks pro-actively with appropriate mitigation measures and implementation thereof.

## **Key risks to which your Company is exposed include :**

### **a) Escalation in prices and its impact on Orders received**

Your Company, sometimes, gets order for export of rice in bulk quantities. The supply to be completed within the period specified therein. Though your company takes enough precautions before accepting such orders, sometimes, price fluctuation in the local market affects the company. However going forward, keeping the possibility of the commodity prices firming up, your Company continues to watch the market situation closely and continues to focus on cost re-engineering and value engineering to remain cost competitive.

### **b) Currency volatility**

Your Company is in to export of goods and Foreign Exchange Risk is associated with export business. Fluctuations in exchange rate will affect the company. Your company has adopted risk mitigates to address the issue.

### **c) Attracting and retaining talent**

As with any other business, high demand for talent globally impacts employee turnover. Your Company addresses this to the best possible extent by being an empowering organization with professional management culture and maintaining a lean structure.

### **d) Economic down turn**

This could impact your Company's markets, suppliers, customers and finances leading to business slow down, disruptions etc. Your Company is dealing in daily necessities of the consumers and their demand is not much impacted by the downturn.

Your Company pro-actively monitors the emerging trends in consumption and offers relevant solutions to its customers so as to stay ahead of the curve. Your Company also is focused on containing costs and improving efficiencies as a means to stay competitive. Proactive supplier and customer engagement is another way your Company seeks to minimize risk to business continuity.

### **e) Our Competition**

Our long standing in the industry, competitiveness, quick response to requests for proposals is well appreciated. Further, ability to scale, superior quality, fast execution, industry expertise, experienced management team, talented professionals, track record and competitive pricing stands as reasons to get orders to us.

In future, we expect intensified competition from some of the larger firms and may also experience competition from new companies.

We understand that price alone cannot constitute a sustainable competitive advantage. We believe that the principal competitive factors in our business are:

- Attracting and retaining high-quality management, technology professionals, and sales personnel



- Articulating and demonstrating long-term value to potential customers
- Effectively integrating onsite and offshore execution capabilities to deliver high-quality, seamless, scalable, cost-effective services
- Increasing the scale and breadth of service offerings to provide one-stop solutions for customer needs
- Keeping pace with ever-changing technology and customer requirements
- Strong and well-recognized brand
- Proven track record of performance excellence and customer satisfaction
- Financial strength to be able to invest in personnel and infrastructure to support the evolving demands of Customers
- High ethical and Corporate Governance standards to ensure honest and professional business practices and protect the reputation of the Company and its customers

We believe we compete favorably with respect to these factors. This could put pressure on volume growth and pricing. Your Company focuses on quality, shorter lead time and high service level to keep the customer satisfaction high.

#### **f) Wage increases in the developing markets**

This could impact costs and margins. Your company has been successful in containing the head count and manage the employee costs.

#### **g) Monsoon**

A normal monsoon is important for both agriculture as well as the rural economy. The agri business in particular run the risk of price fluctuation and demand in case of a significant variation in the monsoon. In addition, an untimely monsoon and uneven spread have the potential of adversely impacting the business as observed in the Financial Year 2016-17 and Financial Year 2017-18.

#### **INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY**

Your Company has in place internal control systems and a structured internal audit process charged with the task of safeguarding the assets of your Company and ensuring reliability and accuracy of the accounting and other operational data. The internal audit department reports to the Audit Committee of the Board of Directors. Your Company has a system of quarterly review of business as a key operational control wherein the performance is reviewed and corrective action is initiated.

The Audit Committee, the Statutory Auditor and the top management are regularly apprised of the

internal audit findings, and regular updates, if any, provided at the Audit committee meetings of the Action taken on the internal audit reports. The Audit Committee of the Board consisting of non- Executive independent Directors reviews the quarterly, half yearly and the annual financial statements of your Company. A detailed note on the functioning of the Audit Committee and of the other Committees of the Board forms part of the section on corporate governance in the Annual Report.

## **CAUTIONARY STATEMENT**

Statements in this Annual report particularly those which relate to management discussion and analysis, describing your Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may materially differ from those expressed or implied.

## REPORT ON CORPORATE GOVERNANCE

R.T. Exports Limited ('the Company') believes that good corporate governance is all about ensuring that companies are managed as efficiently as possible in the interests of the stakeholders. Efficient corporate governance requires a clear understanding of the respective roles of the Board and of senior management and their relationships with others in the corporate structure. The relationship of the Board and management shall be characterized by sincerity, their relationship with employees shall be characterized by fairness, their relationship with the communities in which they operate shall be characterized by good citizenship, and their relationship with government shall be characterized by a commitment to compliance.

## CORPORATE GOVERNANCE PHILOSOPHY

R.T. Exports Corporate Governance philosophy stems from our belief that corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence level. The Board of Directors has the important role of overseeing management performance on behalf of Stakeholders. Stakeholders necessarily have little voice in the day to day management of corporate operations, but have the right to elect representatives (Directors) to look out for their interests and to receive the information they need to make investment and voting decisions.

Over the last few years, the Board of Directors of Our Company have from time to time developed corporate governance practices to enable the Directors to effectively and efficiently discharge their responsibilities individually and collectively to the shareholders of the Company in the areas of; - fiduciary duties – oversight of the Management - evaluation of the Management performance – support and guidance in shaping company policies and business strategies.

R.T. Exports Corporate Governance has been a high priority both in letter as well as in spirit. The Company's Board of Directors represents the Stakeholders interest in perpetuating a successful business and optimizing long term financial returns in a manner consistent with applicable legal requirements and ethical considerations. The Board is responsible for identifying and taking reasonable actions to help and assure that the Company is managed in a way designed to achieve this result.

The Company is fully compliant with the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "SEBI Listing Regulations") formulated by the Securities and Exchange Board of India.

## BOARD OF DIRECTORS

### Composition of the Board

As on March 31, 2020, R.T. Exports' Board consists of 4 Members. Besides the Chairman, an Executive Promoter Director, the Board comprises one Non-Executive non-promoter Woman Director and two Non-Executive Independent Directors. The composition of the Board is in conformity with the Listing Regulations enjoining specified combination of Executive and Non-

Executive Directors with at least one Woman Director, with not less than fifty percent of the Board comprising of Non-Executive Directors and at least one-half of the Board comprising of Independent Directors for a Board chaired by Executive Promoter Director.

#### Classification of Board:

| Category                             | No. of Directors | % to total Number of Directors |
|--------------------------------------|------------------|--------------------------------|
| Executive Directors                  | 1                | 25.00%                         |
| Non- executive Woman Director        | 1                | 25.00%                         |
| Non- executive Independent Directors | 2                | 50.00%                         |
| <b>Total</b>                         | <b>4</b>         | <b>100.00%</b>                 |

The Directors of the Company are not related to each other.

#### Number of Board Meetings

Minimum four Board meetings are held every year. Additional meetings are held to address specific needs of the Company. Seven Board meetings were held during the year ended March 31, 2020. These were held on May 30, 2019, June 10, 2019, August 06, 2019, August 14, 2019, September 4, 2019, November 14, 2019 and February 13, 2020. The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Regulation 17 of the Listing Regulations and Secretarial Standards.

#### Directors' Attendance Record and their other Directorships/Committee Memberships

As mandated by Regulation 26 of the Listing Regulations, none of the Directors is a member of more than ten Board level Committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairman of more than five Committees across all public limited companies (listed or unlisted) in which he/she is a Director. Further all Directors have informed about their Directorships, Committee Memberships/ Chairmanships including any changes in their positions. Relevant details of the Board of Directors as on March 31, 2020 are given below:

| Name of Director | Category | Attendance Particulars | No. of Directorships and Committee Memberships/ Chairmanships of public limited companies* held as on 31 <sup>st</sup> March, 2020. |
|------------------|----------|------------------------|---|
|                  |          |                        |   |

|   |  |                 | No. of Board Meetings |          | Last AGM held on 30.09.2019 | Directorships | Committee memberships + | Committee Chairmanships + |
|---|--|-----------------|-----------------------|----------|-----------------------------|---------------|-------------------------|---------------------------|
|   |  |                 | Held                  | Attended |                             |               |                         |                           |
|   | <b>Executive</b>   |                 |                       |          |                             |               |                         |                           |
| 1 | Mr. Bhavik R. Bhimjyani<br><br>Chairman & Managing Director<br><br>(DIN: 00160121) | Promoter        | 7                     | 7        | Yes                         | 2             | 4                       | Nil                       |
|   | <b>Non-Executive</b>   |                 |                       |          |                             |               |                         |                           |
| 2 | Mrs. Asha Dawda<br><br>(DIN: 06897196)   | Non-Independent | 7                     | 7        | Yes                         | 2             | Nil                     | NIL                       |
| 3 | Mr. Yogesh Thakkar<br><br>(DIN: 07275147)  | Independent     | 7                     | 7        | Yes                         | 2             | 4                       | 2                         |
| 4 | Mr. Manohar Kumar<br><br>(DIN: 08355066)   | Independent     | 7                     | 7        | Yes                         | 2             | 4                       | 2                         |

\*Excludes private limited companies, foreign companies and companies registered under section 8 of the Act, Govt. Bodies.

+Committees considered are Audit Committee and Stakeholders Relationship Committee, including that of your Company. Committee Membership (s) and Chairmanship(s) are counted separately.

## Details of Directorship in Other Companies

| Sr No. | Name of Director        | Category                                | Name of the Company*      | Audit Committee   | Stakeholder Relationship Committee |
|--------|-------------------------|---|---------------------------|-------------------|------------------------------------|
| 1.     | Mr. Bhavik R. Bhimjyani | Chairman & Managing Director            | Asian Warehousing Limited | Member            | Member                             |
| 2.     | Mrs. Asha Dawda         | Non-Executive, Non-Independent Director | Asian Warehousing Limited | NA                | NA                                 |
| 3.     | Mr. Yogesh Thakkar      | Non-Executive, Independent Director     | Asian Warehousing Limited | Member & Chairman | Member & Chairman                  |
| 4.     | Mr. Manohar Kumar       | Non-Executive, Independent Director     | Asian Warehousing Limited | #Member           | #Member                            |

\* Excludes private limited companies, foreign companies and companies registered under section 8 of the Act, Govt. Bodies.

#Appointed as Member wef 14.11.2019

### Limit on the number of Directorships

In compliance with the Listing Regulations, Directors of the Company do not serve as Independent Director in more than seven Listed Companies or in case he/she is serving as a Whole- Time Director in any Listed Company, does not hold such position in more than three Listed Companies.

### Shareholding of Non-Executive Directors

None of the Non-Executive Director(s) hold any shares in the Company. Further, the Company has not issued any convertible instruments hence disclosure in this respect is not applicable.

### Independent Directors

The Independent Directors have confirmed that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations.

### Maximum Tenure of Independent Directors

In accordance with Section 149 (11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company is for a term of 5 consecutive years from the date of appointment.

### Terms and conditions of appointment of Independent Directors

The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company at [www.rtexports.com](http://www.rtexports.com).

## **Performance evaluation of Independent Directors**

The Board of Directors upon recommendation of Nomination and Remuneration Committee have laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board Members, including Independent Directors.

The performance evaluation of Independent Directors was done by the entire Board and in the evaluation the Director who was subject to evaluation did not participate. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, as and when their respective term expires.

## **Separate Meeting of the Independent Directors**

Independent Directors of the Company met separately on 13<sup>th</sup> February, 2020 without the presence of Non-Independent Directors and Members of Management. In accordance with the Listing Regulations, following matters were, inter-alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company taking into consideration the views of other Non-Executive Director.
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **Familiarization Programme for the Independent Directors**

Independent Directors have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part. The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. The initiatives undertaken by the Company in this respect have been disclosed on the website of the Company at [www.rtexports.com](http://www.rtexports.com) and the web link thereto is [http://www.rtexports.com/Corporate\\_Governance\\_policies.html](http://www.rtexports.com/Corporate_Governance_policies.html)

## **Information Supplied to the Board**

The Board has complete access to all information with the Company. All Board meetings are governed by a structured agenda which is backed by comprehensive background information. The information pertaining to mandatory items as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, along with other business issues, is regularly provided to the Board, as part of the agenda papers at least 1 week in advance of the Board meetings (except for certain un-published price sensitive information which is circulated at shorter notice).

**Post Meeting follow up system:** The Company has an effective post Board meeting follow up procedure. The Board has established procedures to periodically review Compliance Report pertaining to all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliance.

**Succession Plan:** The Board of Directors has satisfied itself that plans are in place for orderly succession for outgoing Members of the Board of Directors and Senior Management Personnel.

## **Roles and Responsibilities of Board Members**

R.T. Exports Ltd. has laid down a clear policy defining the structure and role of Board Members. The policy of the Company is to have Chairman and Managing Director – presently Mr. Bhavik R. Bhimjyani is a CMD, Mr. Kirtikumar S. Pandya is Chief Financial Officer (CFO) and an optimum combination of Executive and Non-Executive Promoter/ Independent Directors. The duties of Board Members as a Director have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act, the last being Independent Directors specific. There is a clear demarcation of responsibility and authority amongst the Board Members.

**The Chairman:** His primary role is to provide leadership to the Board in achieving goals of the Company in accordance with the charter approved by the Board. He is responsible for transforming the Company into a wonderful organization.

Also, as the Chairman of the Board, he is responsible for all the Board matters. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter-alia, includes:

- provide leadership to the Board & preside over all Board & General Meetings.
- achieve goals in accordance with Company`s overall vision.
- ensure that Board decisions are aligned with Company`s strategic policy.
- oversee and evaluate the overall performance of Board and its Members.
- ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- monitor the core management team.

**The Executive Directors are** responsible for implementation of corporate strategy, brand equity planning, external contacts and other Management matters which are approved by the Board. They are also responsible for achieving the annual and long term business plans. Their role, inter-alia, includes:

- crafting of vision and business strategies of the Company.
- clear understanding and accomplishment of Board set goals.



- responsible for overall performance of the Company in terms of revenues & profits and goodwill.
- acts as a link between Board and Management.
- ensure compliance with statutory provisions under multiple regulatory enactments.

**Non-Executive Directors (including Independent Directors)** play a critical role in balancing the functioning of the Board by providing Independent judgements on various issues raised in the Board meetings like formulation of business strategies, monitoring of performances etc. Their role, inter-alia, includes:

- impart balance to the Board by providing independent judgement.
- provide feedback on Company's strategy and performance.
- provide effective feedback and recommendations for Board Membership Criteria

The Nomination and Remuneration Committee in consultation with Directors/ others determine the appropriate characteristics, skills and experience for the Board as a whole, as well as its individual Members. The selection of Board Members is based on recommendations of the Nomination and Remuneration Committee.

The skill profile of Independent Board Members is driven by the key performance indicators defined by the Board, broadly based on:

- independent Corporate Governance
- guiding strategy and enhancing shareholders' value
- monitoring performance, Management development & Compensation
- control & compliance

#### **The constitution of the Board is as follows:**

A Promoter Executive Chairman

One Non-Executive Woman Director

Two Non- Executive Independent Directors constituting at least 50% of the Board

#### **Remuneration paid to Directors**

The Company has not paid any remuneration or perquisites to its Directors during the Financial Year under reporting. (Chairman and Managing Director have waived his remuneration).

The Company has taken temporary loans / advances from its Director during the year under reference and partial re-payment is made.

No stock options have been granted to Directors during the year.

#### **Remuneration Policy**

The decision about no payment of remuneration to Executive Directors of the Company is taken by the Board of Directors on the recommendations of the Nomination and Remuneration Committee.

## 1. Non-Executive Directors (including Independent Directors)

Nomination and Remuneration Committee has recommended no sitting fees or commission entitlement to Non-Executive Directors.

## 2. Executive Directors

Presently, there is only One executive Director i.e. Managing Director and the said Managing Director has waived the payment of remuneration accordingly No sitting fee or remuneration paid to the said Executive Director. The Nomination and Remuneration Committee makes annual appraisal of the performance of the Executive Directors based on a detailed performance evaluation, and recommends the compensation payable to them, within the parameters approved by the shareholders, to the Board for their approval. In accordance with the relevant provisions of Companies Act, 2013 and the Listing Regulations, the following Policies/ Framework have been adopted by the Board upon recommendation of the Nomination and Remuneration Committee:

1. Remuneration Policy relating to remuneration of Directors, Key Managerial Personnel and other employees
2. Framework for evaluation of the Board, its Committees and individual Board Members including Independent Directors.
3. Policy on appointment of Board Members.

The Remuneration Policy and the evaluation criteria have been disclosed in the Directors' Report which forms part of the Annual Report.

## Matrix of skills/ expertise/ competencies of the Board of Directors

The Board of the Company comprises qualified members with the required skills, competence and expertise for effective contribution to the Board and its Committee. The Board members are committed to ensure that the Company is in compliance with the highest standards of Corporate Governance.

The table below summarizes the list of core skills/ expertise/ competencies identified by the Board of Directors for effectively conducting the business of the Company and are available with the Board. The table also mentions the specific areas of expertise of individual Director against each skill/expertise/ competence:

| Core skills/ expertise/competencies  | Name of Director     |
|--|----------------------|
| 1. Understanding of Macro environment, particularly economic, political, and social factors. | Mr. Bhavik Bhimjyani |
| 2. Understanding of real estate and hospitality sector.                                      |                      |
| 3. Knowledge of Company's business.  |                      |
| 4. Strategic inputs on corporate, financial, and operating matters.                          |                      |
| 5. Entrepreneurship, and capability to adapt to new business                                 |                      |

|   |                    |
|---|--------------------|
| environment.  |                    |
| 6. Risk assessment and management skills.   |                    |
| 1. Knowledge of Company's business<br>2. Strategic inputs on corporate, financial, and operating matters.   | Ms. Asha Dawda     |
| 1. Entrepreneurship, and capability to adapt to new business environment.<br>2. Risk assessment and management skills.<br>3. Understanding of legal and regulatory framework in general, and that specific to the Company.<br>4. Understanding of financial, tax, and accounting matters. | Mr. Manohar Kumar  |
| 1. Understanding of real estate and hospitality sector.<br>2. Knowledge of Company's business.  | Mr. Yogesh Thakkar |

## CODE OF CONDUCT

Commitment to ethical professional conduct is a must for every employee, including Board Members and Senior Management Personnel of R.T. Exports Ltd. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct.

The Code of Conduct is available on the website of the Company [www.rtexports.com](http://www.rtexports.com) and the web link thereto is [http://www.rtexports.com/Corporate\\_Governance\\_codeofconduct.html](http://www.rtexports.com/Corporate_Governance_codeofconduct.html). All Board Members and Senior Management personnel affirm compliances with the Code of Conduct annually. A declaration signed by the Chairman and Managing Director to this effect is placed at the end of this report.

## COMMITTEES OF THE BOARD

R.T. Exports Ltd has three main Board level Committees:

- A. Audit Committee,
- B. Nomination and Remuneration Committee,
- C. Stakeholders' Relationship Committee.

The composition of various Committees of the Board of Directors is available on the website of the Company at [www.rtexports.com](http://www.rtexports.com) and weblink for the same is [http://www.rtexports.com/Corporate\\_Governance\\_committees.html](http://www.rtexports.com/Corporate_Governance_committees.html). Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various Committees.

Details on the role and composition of these Committees, including the number of meetings held during the Financial Year and the related attendance are provided below.

### A. AUDIT COMMITTEE

#### Composition and Meetings

As on March 31, 2020, the Audit Committee comprises of Members as stated below. The composition of the Committee is in conformity with the Listing Regulations. During the Financial Year 2019-20, the Audit Committee met five times on 30.05.2019; 14.08.2019; 04.09.2019; 14.11.2019 and 13.02.2020. The time gap between any two meetings was less than 120 days.

The details of attendance of Members is as under:

| Sl. No. | Name of Director                           | Designation                            | Category | No. of Meetings held | No. of Meetings attended |
|---------|--|--|----------|----------------------|--------------------------|
| 1       | Mr. Manohar Kumar<br>(DIN: 08355066)       | Non- Executive – Independent Director  | Chairman | 5                    | 5                        |
| 2       | Mr. Yogesh Thakkar<br>(DIN: 07275147)      | Non- Executive – Independent Director  | Member   | 5                    | 5                        |
| 3       | Mr. Bhavik R. Bhimjyani<br>(DIN: 00160121) | Executive Director - Managing Director | Member   | 5                    | 5                        |

The objective of the Audit Committee is to keep a vigil and oversight on the Management's financial reporting process with a view to ensure timely and transparent disclosures in the financial statements. All Members of the Audit Committee have accounting and financial management knowledge

**The Audit Committee is empowered, pursuant to its terms of reference and its role, *inter alia*, includes the following:**

The Audit Committee will perform the following functions with regard to accounts and financial management:

- Oversight of our Company's financial process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of the audit fees;
- Approval of payment to the statutory auditor for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statement before submission to the Board for approval, with particular reference to:
  - i. Matters required to be included in the Directors' responsibility statement which forms part of the Directors' report pursuant to Section 134 of the Companies Act;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements
  - vi. Disclosure of any related party transactions; and

vii. Modified opinion(s) in the draft audit report

- Reviewing with the management, the quarterly financial statements before submission to our Board for approval;
- Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue, and making appropriate recommendations to our Board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process
- approval or any subsequent modification of transactions of the listed entity with related parties
- scrutiny of inter-corporate loans and investments
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy on 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;
- Discussion with the internal auditors on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of material nature and reporting the matter to our Board;
- Discussion with the statutory auditor before audit commences, about the nature and scope of audit as well as a post audit discussion to ascertain in any area of concern;
- To look into the reasons for substantial defaults in the payment to depositors, debenture holders shareholders (in case of default in payment of declared dividend) and creditors;
- To review the functioning of the whistle blower policy mechanism, if any, adopted and framed from time to time;
- Approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Approval to Related Party Transactions and review on regular basis;
- Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee from time to time; and
- Review of management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Review of management letters / letters of internal control weaknesses issued by the statutory auditors;
- Review of internal audit reports relating to internal control weaknesses;
- Review of the appointment, removal and terms of remuneration of the chief internal auditor.
- Review of statement of deviations:

1. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  2. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- Any other activities as may be covered within the gamut of scope of Audit Committee by any statutory enactment(s) from time to time.

## B. NOMINATION AND REMUNERATION COMMITTEE

### Composition and Meetings

As on March 31, 2020 the Nomination and Remuneration Committee comprises of Members as stated below. The composition of the Committee is in conformity with the Listing Regulations, i.e., there are three Directors. More than fifty percent of the Directors are Independent Directors. Of which, two Directors being Non-Executive and one Director being Chairman of the Company.

During the Financial Year 2019-20, the Nomination and Remuneration Committee met four times on.30.05.2019; 14.08.2019; 14.11.2019 and 13.02.2020

The details of attendance of the Members are as under:

| Sl. No. | Name of Director                       | Designation                                    | Category | No. of Meetings held | No. of Meetings attended |
|---------|--|--|----------|----------------------|--------------------------|
| 1       | Mr. Manohar Kumar<br>(DIN:08355066)    | Non- Executive – Independent Director          | Chairman | 4                    | 4                        |
| 2       | Mr. Yogesh Thakkar<br>(DIN: 07275147)  | Non- Executive – Independent Director          | Member   | 4                    | 4                        |
| 3       | Bhavik R. Bhimjyani<br>(DIN: 00160121) | Promoter Executive director- Managing Director | Member   | 4                    | 4                        |

**The brief terms of reference of the Nomination and Remuneration Committee are as follows:**

The Remuneration Committee exercises powers in relation to the matters listed below:

- To review the overall compensation policy, service agreements and other employment conditions of the managing/ whole time Directors;
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees
- Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;

- Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy;
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel;
- Devise a policy on diversity of Board of Directors;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- To decide on overall compensation policy for non-executive Directors;
- Stock option details, if any, and whether to be issued at a discount as well as the period over which to be accrued and over which to be exercisable; and
- To take decision on the increments in the remuneration of Directors

## C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

### Composition and Meetings

As on March 31, 2020 the Stakeholders' Relationship Committee comprises of Members as stated below. The composition of the Committee is in conformity with the Listing Regulations.

During the Financial Year 2019-20, the Stakeholders' Relationship Committee met five times on 16.05.2019; 30.05.2019; 14.08.2019; 14.11.2019 and 13.02.2020

### The details of attendance of the Members are as under:

| Sl. No. | Name of Director                           | Designation                                    | Category | No. of Meetings held | No. of Meetings attended |
|---------|--|--|----------|----------------------|--------------------------|
| 1       | Mr. Manohar Kumar<br>(DIN:08355066)        | Non- Executive – Independent Director          | Chairman | 5                    | 5                        |
| 2       | Mr. Bhavik R. Bhimjyani<br>(DIN: 00160121) | Promoter Executive director- Managing Director | Member   | 5                    | 5                        |
| 3       | Yogesh Thakkar<br>(DIN: 07275147)          | Non- Executive – Independent Director          | Member   | 5                    | 5                        |

Mr. Rajeshkumar C. Pillai, the Company Secretary and Compliance Officer of the Company, is the Secretary to the Committee till the date of 7<sup>th</sup> January, 2020. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders'/investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports, and other allied complaints.

### The Committee performs the following functions:

- transfer/ transmission of shares.

- split up/ sub-division and consolidation of shares.
- dematerialization/ rematerialization of shares.
- issue of new and duplicate share certificates.
- registration of Power of Attorneys, probate, letters of transmission or similar other documents.
- to open/ close bank account(s), if any, of the Company for depositing share/ debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard, to look into redressal of shareholders' and investors' complaints like transfer of shares, non- receipt of annual report, if any, etc.- any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.
- review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company

### Investor Grievance Redressal

Details of complaints received and resolved by the Company during the Financial Year 2019-20 are given below:

| Particulars   | Nature of Complaint Pending as on 01.04.2019 | Received during the FY 2019-20 | Disposed of during the FY 2019-20 | Pending as on 31.03.2020 |
|---|--|--------------------------------|-----------------------------------|--------------------------|
| Non receipt of certificates lodged for Transfer / Transmission, issue of Duplicate shares | Nil  | Nil                            | Nil                               | Nil                      |
| Non-receipt of Dividend Dematerialization / Rematerialization of shares                   | Nil  | Nil                            | Nil                               | Nil                      |
| Others (Non receipt of bonus shares/ POA/ change of signatures/ address etc.)             | Nil  | Nil                            | Nil                               | Nil                      |
| <b>Total</b>  | Nil  | Nil                            | Nil                               | Nil                      |

In order to provide efficient services to investors and for speedy redressal of the complaints, the Committee has delegated the power of approving transfer and transmission of shares etc. to the Registrars and Transfer Agents.

### Corporate Social Responsibility Committee:



The Company has not formed Corporate Social Responsibility Committee as the same is not applicable to the Company considering its financial parameters.

## **SUBSIDIARY COMPANIES - MONITORING FRAMEWORK**

Your Company does not have subsidiary companies.

## **MANAGEMENT**

### **Management Discussion and Analysis**

The Annual Report has a detailed chapter on Management Discussion and Analysis, which forms part of this report.

## **DISCLOSURES**

### **Related Party Transactions**

The Company has formulated a Policy on materiality of and dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and Regulation 23 of Listing Regulations.

The policy has been disclosed on the website of the Company at [www.rtextports.com](http://www.rtextports.com). Web link for the same is [http://www.rtextports.com/Corporate Governance policies.html](http://www.rtextports.com/Corporate_Governance_policies.html). Related Party Transactions are approved by the Audit Committee prior to the transaction. The Audit Committee has, after obtaining approval of the Board of Directors, laid down the criteria for granting omnibus approval which forms part of the Policy on Related Party Transactions. Related Party Transactions of repetitive nature, if any, are approved by the Audit Committee on omnibus basis for one Financial Year at a time. The Audit Committee satisfies itself regarding the need for omnibus approval and ensures compliance with the requirements of Listing Regulations and the Companies Act, 2013. All omnibus approvals are reviewed by the Audit Committee on a quarterly basis.

During the Financial Year 2019-20, there were no such Related Party Transactions, other than reported as per Companies Act, 2013 or Listing Regulations. Further, there were no materially significant Related Party Transactions that may have potential conflict with the interests of Company at large.

### **Disclosures by Board Members & Senior Management**

The Board Members and Senior Management personnel make disclosures to the Board periodically regarding;

- their dealings in the Company's shares, if any; and
- all material financial and commercial and other transaction with the Company, if any; where they have personal interest, stating that the said dealings and transactions, if any, had no potential conflict with the interests of the Company at large.

## **Disclosure by the Board:**

During the financial year under review, Board of Directors has accepted all the recommendations of the Committees of the Board which is mandatorily required.

## **Disclosure of accounting treatment in preparation of financial statements**

The Company has followed the guidelines of Ind AS specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Amendment Rules, 2015 as amended/ laid down by the Central Government under the provisions of section 129(1) of the Companies Act, 2013 in the preparation of its financial statements.

## **Fees paid to Statutory Auditors**

The amount of total fees for all services paid by the Company to the Statutory Auditor in the financial year 2019-20 is disclosed in Note No. 29.1.

## **Details of non-compliance by the Company**

R.T. Exports Ltd. has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by Stock Exchange or SEBI or any Statutory Authority on any matter related to capital market during the last three years.

## **Disclosure on compliance with Corporate Governance**

### **Requirements specified in Listing Regulations**

The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-para (2) to (10) of Schedule V of the Listing Regulations.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

## **Disclosure of Certificate from a Company Secretary in Practice:**

A certificate from the Company Secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is obtained from M/s Anjana Manseta & Co. which forms part of this report.

## **Disclosure on Commodity price risks or foreign exchange risk**

The Company is subject to Market risks with respect to commodity price fluctuations in which it deals with. Further the Company is subject to foreign exchange risk as fluctuation in exchange rate shall have an impact on the value realized by the Company from the commodities exported by it.

## **Code for Prevention of Insider-Trading Practices**

The Company has in place a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of

Conduct for Prevention of Insider Trading lays down guidelines advising the Management, staff and other connected persons, on procedures to be followed and disclosures to be made by them while dealing with the shares of R.T. Exports and cautioning them of the consequences of violations. Company Secretary has been appointed as the Compliance Officer.

## **Whistle-Blower Policy / Vigil Mechanism**

The Company promotes ethical behaviour in all its business activities and in line with the best international Governance practices, R.T. Exports has established a system through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's Code of Conduct without fear of reprisal. The Company has set up a Vigil Committee, under which all Directors, employees / business associates have direct access to the Chairman of the Audit Committee, and also to a three-member Vigil Committee team established for this purpose. The Vigil Committee team comprises one woman member so that women employees of the Company feel free and secure while lodging their complaints under the policy.

The Whistle-Blower Protection Policy aims to:

- 1) Allow and encourage stakeholders to bring to the Management's notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.
- 2) Ensure timely and consistent organizational response, Build and strengthen a culture of transparency and trust. Provide protection against victimization.

The above mechanism has been appropriately communicated within the Company across all levels and displayed on the Company's website [www.rtextports.com](http://www.rtextports.com). Web link for the same is [http://www.rtextports.com/Corporate\\_Governance\\_policies.html](http://www.rtextports.com/Corporate_Governance_policies.html) Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received under this policy on a quarterly basis. The Committee has, in its Report, affirmed that no personnel have been denied access to the Audit Committee.

## **Compliance Certificate of the Auditors**

Certificate on compliance with conditions of the Corporate Governance as per provisions of chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is taken by a Practicing Company Secretary which forms the part of this report.

## **CEO/ CFO certification**

As required under the Regulation 17 of the listing Regulations, the CEO / CFO Certificate for the Financial Year 2019-20 signed by Mr. Bhavik R. Bhimjyani, Chairman and Managing Director and

Mr. Kirtikumar S. Pandya, Chief Financial Officer of the Company was placed before the Board of Directors of the Company at their meeting held on 23<sup>rd</sup> November, 2020.

## Legal Compliance Reporting

The Board of Directors reviews in detail, on a quarterly basis, the report of compliance with respect to all applicable laws and regulations. The Company has developed a very comprehensive Legal Compliance System, which drills down from the CFO to the Executive-level person (who is primarily responsible for compliance) within the Company.

## MEANS OF COMMUNICATION WITH SHAREHOLDERS

**Financial Results:** R.T. Exports recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies.

Quarterly: The quarterly financial results are normally published in Financial Express and Mumbai Lakshadeep newspapers.

Details of publication of financial results for the year under review are given below:

| Description  | Date              |
|--|-------------------|
| Unaudited Financial Results for the quarter ended June 30, 2019      | August 15, 2019   |
| Unaudited Financial Results for the quarter ended September 30, 2019 | November 17, 2019 |
| Unaudited Financial Results for the quarter ended December 31, 2019  | February 15, 2020 |
| Audited Financial Results for the quarter ended March 31, 2020       | July 02, 2020     |

**Annual Report:** Physical copy of the Annual Report will be sent to all shareholders who have not registered their email ids for the purpose of receiving documents/ communication from the Company in electronic mode and via email to all shareholders who have provided their email ids.

## News Releases/Presentations:

No official press releases, presentations made to the media, analysts, institutional investors, etc. during the year under report.

**Website:** The Company's website <http://www.rtexports.com/> contains a separate section 'Investor' for use of investors. The quarterly, half yearly and annual financial results, official news releases and presentations made to institutional investors and to analysts, if any, are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website.

Since the company does not have subsidiaries, Annual Report of subsidiary companies are not posted on the website.

The Investor section provides information on various topics relevant to the Investors. On-line Annual Reports are also provided in the Investor Section.

**Communication to shareholders on email:** As mandated by the Ministry of Corporate Affairs (MCA), documents like Notices, Annual Report etc. were sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA). This helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

**BSE Corporate Compliance & Listing Centre Portal:** BSE has developed web based applications for corporates. All compliances like Financial Results, Shareholding Pattern and Corporate Governance Report, etc. are filed electronically on BSE Listing centre portal.

**SCORES (SEBI complaints redressal system):** SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholders. The Company and shareholders can seek and provide clarifications online through SEBI.

**Exclusive email ID for investors:** The Company has designated the email id headoffice@rtexports.com exclusively for investor servicing and the same is prominently displayed on the Company's website [www.rtexports.com](http://www.rtexports.com).

## E-Voting

In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shareholders of the Company were permitted to use the e-voting facility provided by the Company through National Securities Depository Limited for casting their votes at the Annual General Meeting.

## INVESTOR RELATIONS

Investor Relations (IR) at R.T. Exports aims at proactively giving out accurate, transparent and timely information to the investors so that they can take a well-considered decision.

Feedback received from investors, if any, is given due consideration by the Company's Management. We aim to have a diversified shareholder base both in terms of geographical location and investment horizon.

- All historical and fresh information updates are promptly available on the Investor page of the Company's website for ready access.

## GENERAL BODY MEETINGS

Details of the last three General Body Meetings held are given below:

| Financial Year | Category                     | Location of the meeting  | Date                             | Time       |
|----------------|------------------------------|--|----------------------------------|------------|
| 2016-17        | Annual General Meeting (AGM) | Basement (No.2), Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400 021 | 29 <sup>th</sup> September, 2017 | 10.00 a.m. |

|         |                              |  |                                  |            |
|---------|------------------------------|--|----------------------------------|------------|
|         |                              |  |                                  |            |
| 2017-18 | Annual General Meeting (AGM) | Basement (No.2), Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400 021 | 29 <sup>th</sup> September, 2018 | 10.00 a.m. |
| 2018-19 | Annual General Meeting (AGM) | Basement (No.2), Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400 021 | 30 <sup>th</sup> September, 2019 | 9.30 a.m.  |

Special resolutions taken up in the last three AGMs and passed with requisite majority are mentioned hereunder:

### **29<sup>th</sup> September, 2017**

No Special Resolution passed.

### **29<sup>th</sup> September, 2018**

Agenda item number 2, i.e. To Re-Appoint Shri. Rashmi C. Bhimjyani (DIN: 00207941), as the Managing Director of the Company, of the Notice of 38<sup>th</sup> AGM was proposed as a Special Resolution and the same was passed with requisite majority for Special Resolution.

### **30<sup>th</sup> September, 2019**

Agenda item no. 3, 4 and 5, i.e. Power to borrow funds under section 180(1)(c) of the Companies Act, 2013, Creation of Charges on the Movable and Immovable Properties of the Company, both Present and Future, Under Section 180(1)(a) of the Companies Act, 2013 and To make investments, give loans, guarantees and to provide securities under section 186 of the Companies Act, 2013 respectively, of the Notice of 39<sup>th</sup> AGM were proposed as Special Resolution and the same were passed with requisite majority.

### **Extra – Ordinary General Meetings:**

No Extraordinary General Meetings of members were convened during the last three financial years.

### **Postal Ballot**

As per Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, During the financial year under review, the details of the resolutions passed through Postal Ballot are as follows:

As on 25.07.2019, Company passed the resolution with respect to approval of scheme of Reduction of Share Capital of the Company through Postal Ballot and got the majority approval of

the public shareholders. Dharmesh Zaveri & Co., Company Secretaries conducted the exercise of postal ballot.

On 24.06.2019, the Company has completed dispatch of postal ballot notice and voting period commenced on 25.06.2019, 09.00a.m and ended on 24.07.2019 at 05.00 p.m

The scrutinizer submitted his report on 25.07.2019.

| Sr.No | Resolution                                | Special/Ordinary | No. of valid votes received | No and % of votes in favor | No and % of votes Against |
|-------|---|------------------|-----------------------------|----------------------------|---------------------------|
| 1     | Reduction of Share Capital of the Company | Special          | 419028                      | 419013<br>99.9964%         | 15<br>0.0036%             |

There were no resolution were passed by the members of the Company through Postal Ballot after the financial year till the date of report.

## COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has complied with all applicable mandatory requirements of the Listing Regulations as on 31.03.2020. Quarterly Compliance Report on Corporate Governance, in the prescribed format, duly signed and submitted regularly with the Stock Exchanges where the shares of the Company are listed.

## ADOPTION OF DISCRETIONARY REQUIREMENTS

The Company has voluntarily complied with the following discretionary requirements as provided under Regulation 27 (1) read with Part E of the Schedule II of the Listing Regulations:

### 1) Modified opinion(s) in Audit Report

The Auditors have raised no qualifications on the financial statements of the Company.

### 2) Reporting of Internal Auditors

The Internal Auditors of the Company report directly to the Audit Committee.

## ADDITIONAL SHAREHOLDERS' INFORMATION

### Company Registration Details

The Company is registered in Mumbai, India. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs (MCA) is L51900MH1980PLC022582.

### Annual General Meeting

Date: Wednesday, 23<sup>rd</sup> December, 2020

Time: 10.00 A.M

Venue: Basement (No. 2), Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400 021

## **Financial Calendar**

For the Financial Year ending March 31, 2021 results will be announced by: (Tentative)

First Quarter: August 14, 2020

Half Yearly: November 14, 2020

Third Quarter: February 14, 2021

Fourth Quarter and Annual: May 30, 2021

## **Book Closure**

The dates of Book Closure are from the 17<sup>th</sup> December, 2020 to the 23<sup>rd</sup> December, 2020, inclusive of both days.

## **Dividend Payment**

No Interim dividend was paid to equity shares for the Financial Year 2019-20. No Final Dividend to equity share or to Preference shares for the Financial Year 2019-20 has been recommended by the Board of Directors to shareholders for their approval.

## **Dates of Transfer of Unclaimed Dividend**

- 2) There was no unpaid or unclaimed dividends declared, which was required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. There is no unpaid and unclaimed dividend lying with the Company as on 30<sup>th</sup> September, 2019 (date of the previous Annual General Meeting).
- 3) There was no share of the Company in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more and therefore, the Company was not required during financial year 2019-20, to transfer any shares to the IEPF Authority, adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, from time to time.

## **Unclaimed/ Undelivered Share Certificates**

As per the provisions of Regulation 39 (4) of the Listing Regulations, the unclaimed shares lying in the possession of the Company are required to be dematerialized and transferred into a special demat account held by the Company. However, your company does not have unclaimed shares lying with the Company.

## **Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The details of number of complaints received and disposed of during the year ending 31st March, 2020 is given in the Directors' report.



## Listing

At present, the equity shares of the Company are listed at : **BSE Ltd.**

**Address:** Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai

The payment of annual listing fees to BSE Ltd. for Financial Year 2020-21 is not paid as on date due to COVID 19 pandemic situation.

## R.T. Exports's Stock Exchange code

**BSE Stock Code:** 512565

ISIN Demat: INE581D01015

## Equity Evolution during the year

As on March 31, 2020 the paid up equity share capital of the Company was Rs.4,35,90,000 consisting of 43,59,000 equity shares of 10/- each. There is no change in the paid up equity capital of the Company during the year under review:

## Stock Market Data

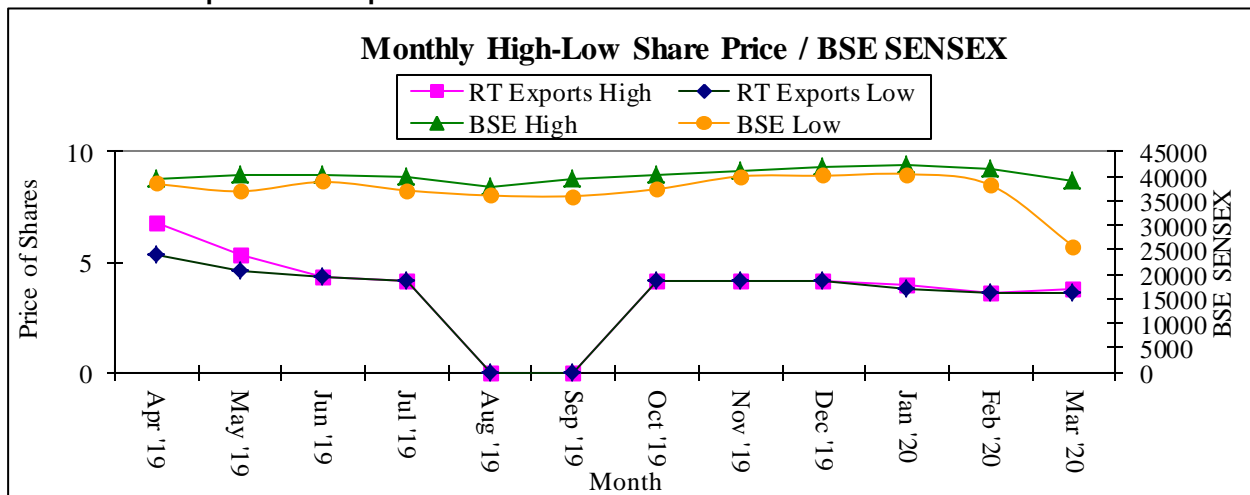
The table below gives details of Stock Market data.

Details of High, Low and Volume of R.T. Export's shares for 2019-20 at BSE:

| Month          | R.T.Exports Limited |           | SENSEX     |           | No. of Shares |
|----------------|---------------------|-----------|------------|-----------|---------------|
|                | High Price          | Low Price | High Price | Low Price |               |
| April 2019     | 6.8                 | 5.3       | 39487.45   | 38460.25  | 2871          |
| May 2019       | 5.3                 | 4.56      | 40124.96   | 36956.1   | 3030          |
| June 2019      | 4.34                | 4.34      | 40312.07   | 38870.96  | 5             |
| July 2019      | 4.13                | 4.13      | 40032.41   | 37128.26  | 100           |
| August 2019    | 0                   | 0         | 37807.55   | 36102.35  | 0             |
| September 2019 | 0                   | 0         | 39441.12   | 35987.8   | 0             |

|               |      |      |          |          |     |
|---------------|------|------|----------|----------|-----|
| October 2019  | 4.13 | 4.13 | 40392.22 | 37415.83 | 100 |
| November 2019 | 4.13 | 4.13 | 41163.79 | 40014.23 | 7   |
| December 2019 | 4.13 | 4.13 | 41809.96 | 40135.37 | 3   |
| January 2020  | 3.99 | 3.8  | 42273.87 | 40476.55 | 285 |
| February 2020 | 3.61 | 3.61 | 41709.3  | 38219.97 | 100 |
| March 2020    | 3.79 | 3.61 | 39083.17 | 25638.9  | 35  |

**Chart A: R.T. Exports' share performance versus BSE SENSEX**



### Distribution of Shareholding

Details of distribution of shareholding of the equity shares of the Company by size and by ownership class on March 31, 2020 alongwith the top 10 shareholders of the Company is given below:

### Shareholding Pattern by ownership as on 31 March, 2020:

| Category | No. of | No. of Share | % of Holding |
|----------|--------|--------------|--------------|
|----------|--------|--------------|--------------|

|                             | Share holders | Held      |        |
|-----------------------------|---------------|-----------|--------|
| Promoters                   | 6             | 30,97,677 | 71.06  |
| Mutual Funds / UTI          | 3             | 800       | 0.02   |
| Banks/Financial institution | 0             | 0         | 0.00   |
| Bodies Corporate            | 27            | 75,802    | 1.74   |
| Indian Public               | 1,940         | 11,29,229 | 25.91  |
| HUF                         | 20            | 12,413    | 0.28   |
| NRIs (Repat & Non Repat)    | 193           | 39,580    | 0.91   |
| Other Clearing member       | 4             | 3,499     | 0.08   |
| Market Maker                | 0             | 0         | 0.00   |
|                             | 2,205         | 43,59,000 | 100.00 |

**Note:** As per SEBI circular SEBI/HO/CFD/CMD/CIR/P/2017/128 dated 19<sup>th</sup> December, 2017 shareholding of the promoter and promoter group, public shareholder and non-public non-promoter shareholder has been consolidated on the basis of the PAN and folio number to avoid multiple disclosures of shareholding of the same person.

#### Shareholding pattern by size as on March 31, 2020

| Distribution   | No. of Shareholders | Shares Amount (Rs.) | % of Shareholding |
|----------------|---------------------|---------------------|-------------------|
| Less than 5000 | 2188                | 51,82,850           | 17.8901           |
| 5001 -10000    | 13                  | 9,06,420            | 2.0794            |
| 10001 & above- | 15                  | 3,75,00,730         | 86.03             |
| <b>Total</b>   | <b>2216</b>         | <b>4,35,90,000</b>  | <b>100.00</b>     |

#### Top ten shareholders as on March 31, 2020

| List of Top 10 Shareholders |                      |           |
|-----------------------------|----------------------|-----------|
| Sr. No.                     | Name of Shareholders | No shares |
| 1                           | Rashmi C. Bhimjyani  | 17,56,527 |
| 2                           | Bhavik R. Bhimjyani  | 6,78,491  |
| 3                           | Rekha R. Bhimjyani   | 3,92,528  |
| 4                           | Gulshan Rai          | 3,36,410  |

|    |                            |          |
|----|----------------------------|----------|
| 5  | Bhushan Karia              | 1,83,145 |
| 6  | Rashmi C. Bhimjyani (HUF)  | 1,58,750 |
| 7  | R T Agro Private Limited   | 1,00,181 |
| 8  | Ketan M. Desai             | 35,000   |
| 9  | Padmanabh Trading (P) Ltd. | 30,734   |
| 10 | Vikram Sharad Sheth        | 28,171   |

- **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 (Unit – R. T. Exports Limited), C-101, 247 Park, LBS Marg, Vikhroli, Mumbai – 400 083, Ph: 022 – 49186000 Fax : 022 – 49186060

- **Share Transfer System:**

All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to Registrar and Transfer Agents. Stakeholders Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the Registrars and Share Transfer Agents. Such transfers take place on weekly basis, if any. A summary of all the transfers/ transmissions etc. so approved is placed at every Committee Meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with

the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the same with the Stock Exchanges.

The trading in Equity shares of the Company in demat form are transferable through depository system. On 31<sup>st</sup> March, 2020 three transfer requests was pending and as on the date of this report there were no transfer requests were pending. With effect from 1<sup>st</sup> April, 2019, shares can be transferred only in demat form.

The shares of the Company was not suspended for trading during the year ended under review.

- **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. 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**

To facilitate trading in demat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). R.T. Exports has entered into agreement with both these depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories.

As at 31<sup>st</sup> March, 2020, 95.88% of shareholding was held in dematerialized form with NSDL and CDSL, while 4.12 % was held in physical form.

- **Dematerialization of Shares – Process**

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder

- a. Demat account should be opened with a Depository Participant (DP).
- b. Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- c. DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- d. DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is Link Intime (India) Private Ltd.
- e. RTA will process the DRF and confirm or reject the request to DP/ Depositories.
- f. Up on confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

**Consolidation of folios and avoidance of multiple mailing**

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrars & Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

- **Outstanding GDRs/ADRs/Warrants**

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments, as on 31<sup>st</sup> March, 2020, 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) Private Ltd, C-101, 247 Park, LBS Marg, Vikhroli, Mumbai – 400 083, Ph: 022 – 49186000 Fax : 022 – 49186060;Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Email: <a href="mailto:charithra.hegde@linkintime.co.in">charithra.hegde@linkintime.co.in</a> |
|--|---|

|                    |  |
|--------------------|--|
| Compliance Officer | Mitali Shah<br>508, Dalamal House,<br>Jamnalal Bajaj Road,<br>Nariman Point,<br>Mumbai – 400 021.<br>Tel: 91 22 40813000<br>Fax: 9122 66307000<br>Email:- " <a href="mailto:compliance@rtexports.com">compliance@rtexports.com</a> " |
|--------------------|--|

## Service of documents through Email

In terms of provisions of the Companies Act, 2013 service of documents on members by a Company is allowed through electronic mode. Further, as per Listing Regulations, Listed Companies shall supply soft copies of full annual reports to all those shareholders who have registered their e-mail addresses for the purpose. Accordingly, the Company proposes to send documents like shareholders meeting notice/other notices, Audited Financial Statements, Directors' Report, Auditor's Report or any other document, to its members in electronic form at the email address provided by them and/or made available to the Company by their depositories. This will definitely help in prompt receipt of communication, reduce paper consumption and save trees as well as avoid loss of documents in transit.

Members who have not yet registered their email id (including those who wish to change their already registered email id) may get the same registered/ updated either with their depositories or by writing to the Company.

## Details of Public Funding Obtained in the last three years

R.T. Exports has not obtained any public funding in the last three years.

## Reconciliation of Share Capital Audit

Practicing Company Secretary, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on their conciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchange, where the Company's shares are listed and is also placed before the Stakeholders' Relationship Committee of the Board.

## Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of the mandated standards.

## Fees paid to Statutory Auditor:

Company has paid total fees for all services, on a consolidated basis, to the statutory auditor for the FY 2019-2020.

**Company's Registered Office Address:**

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

**Compliance with the Hon. High Court, Bombay Order:**

The Company had filed a Scheme Petition in the Hon. High Court of Judicature at Bombay to demerge its business activities of trading & export of rice and warehousing of Agri commodities. The Honorable High Court, Bombay has approved the demerger petition on 10<sup>th</sup> April 2015. The Company has received certified copy of the Order from the Hon. High Court, Bombay on 22<sup>nd</sup> June, 2015. Based on the Order of Honorable High Court, Bombay, both the aforesaid business activities are demerged. R.T. Exports Ltd., the Demerged Company, is continuing the business of trading /production and export of rice (Agro Commodities) whereas Asian Warehousing Ltd. (Formerly known as Asian Warehousing Pvt Ltd), the resulting Company, is carrying on the business of warehousing of Agri commodities. However, before the completion formalities, the Hon. High Court, Bombay by an ad-interim order stalled the further implementation of Scheme of De-merger on filing of a Company Petition by a shareholder. The same applicant has sought a requisitioned meeting of shareholders of the Company and on receipt of the notice of requisitioned meeting, approached NCLT, Mumbai Bench with a Company Application. Hon. NCLT, Mumbai Bench allowed the requisitioned meeting, however, outcome of the meeting was subjected to Hon. NCLT's further Orders.

Both the Hon. High Court, Bombay and Hon. NCLT, Mumbai bench dismissed the Petitions against the Company and the same has now been stands as withdrawn.

Now the Company is in the process of completion of the remaining formalities of De-merger. Resulting Company Asian Warehousing Limited has applied for listing of its shares and awaiting Stock exchange's approval for the same.

**Place: Mumbai**

**Date: 23<sup>rd</sup> November, 2020**

**Bhavik Bhimjyani**

**Chairman & Managing Director**

**DIN: 00160121**

## DECLARATION ON CODE OF CONDUCT

In terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the affirmations provided by the Directors and Senior Management Personnel of the Company to whom Code of Conduct is made applicable, it is declared that the Board of Directors and the Senior Management Personnel have complied with the Code of Conduct for the year ended 31st March, 2020.

For **R T Exports Limited**

**Bhavik Bhimjyani**

Chairman & Managing Director

DIN: 00160121

Date: 23<sup>rd</sup> November, 2020

Place: Mumbai



## **CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members  
R T EXPORTS LIMITED  
508 DALAMAL HOUSE NARIMAN POINT  
MUMBAI-400021

Based on the disclosures/ declarations received from Directors appointed on the Board of R T EXPORTS LIMITED ("Company"), we hereby certify that as on March 31, 2020, none of the Directors on the Board of Company have been debarred or disqualified from being appointed or continuing as director of the Company by Securities and Exchange Board of India, Ministry of Corporate Governance or any such statutory authority.

For **Anjana Manseta & Co.**  
**Company Secretaries**

Anjana Manseta  
Membership No. 10078  
Certificate of Practice: 10668  
UDIN: F010078B000864901

Date: 18<sup>th</sup> November, 2020

## CEO AND CFO CERTIFICATION

The Board of Directors  
R.T. Exports Ltd.  
Mumbai

Dear members of the Board,

We, Mr. Bhavik R. Bhimjyani, Managing Director, and Mr. Kirtikumar S. Pandya, Chief Financial Officer of R.T. Exports Ltd., to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements and the Cash Flow Statement of the Company and all the notes on accounts and the Board's report.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
  - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company is made known to us by others within those entities, particularly during the period in which this report is being prepared.
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards (IND-AS).
  - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
  - d. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that

has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
  - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - b. Any significant changes in internal controls during the year covered by this report.
  - c. All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.
  - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

## **For and on behalf of the Board of Directors**

**Bhavik R. Bhimjyani**  
**Chairman and Managing Director**  
**DIN: 00160121**

**Kirtikumar Pandya**  
**Chief Financial Officer**

Place: Mumbai  
Date: 23<sup>rd</sup> November, 2020

Place: Mumbai  
Date: 23<sup>rd</sup> November, 2020

## **CERTIFICATE ON CORPORATE GOVERNANCE**

### **To the Members of R. T. Exports Limited**

1. The Corporate Governance Report prepared by the R. T. Exports Limited (“the Company”) contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”) (‘Applicable criteria’) for the year ended March 31, 2020 as required by the Company for annual submission to the Stock exchange.

### **MANAGEMENTS’ RESPONSIBILITY**

2. The preparation of Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to preparation and presentation of Corporate Governance Report.
3. The management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the listing regulations, issued by Securities and Exchange Board of India.

### **AUDITORS’ RESPONSIBILITY**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India (“ICAI”). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors’ judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.

8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

## **OPINION**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 4 above.

## **OTHER MATTERS AND RESTRICTION ON USE**

10. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

**For Anjana Manseta & Co.  
Company Secretaries**

Anjana Manseta  
(Proprietor)  
FCS No. 10078  
CP No: 10668  
UDIN: F010078B001280171

Date: 23<sup>rd</sup> November, 2020

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBER OF R. T. EXPORTS LIMITED

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **R. T. Exports Limited** (“the **Company**”), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in equity and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as “the Financial Statements”)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 including Ind AS specified under section 133 of the Act, of the financial position of the Company as at March 31, 2020, and its financial performance including Other Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises in the annual report (but does not include the financial statements and our auditor's report thereon), which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## **Responsibilities of Management and those charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), Loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under section 133 of the Act read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 ("the order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation



given to us, we give in the “**Annexure A**” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. Further to our comment in the Annexure A, as required by Section 143(3) of the Act, we report that:
- a. We have sought and 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, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind As) specified under Section 133 of the Act, read with relevant rules made there under;
  - e. On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. In our opinion and to the best of our information and according to the explanations given to us, the provisions of sections 197 of the act is not applicable to the company since no managerial remunerations is paid / provided.
  - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”;
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company, as detailed in Note 30.1 to the financial statements, has disclosed the impact of pending litigations on its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There is no amount which is required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Pathak H.D. & Associates LLP**  
**Chartered Accountants**  
**Firm's Registration No. 107783W/ W100593**

**Gopal Chaturvedi**  
**Partner**  
**Membership No. 090903**  
**UDIN : 20090903AAAACK8054**

Place: Mumbai  
Date: June 30<sup>th</sup>, 2020

## “Annexure A” to the Independent Auditor’s Report

**(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the R.T. Exports Limited on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2020)**

- (i) In respect of fixed assets:-
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) The fixed assets are physically verified by the management during the year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to information and explanation given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, inventories have been physically verified during the year by the management. In our opinion the frequency of verification is reasonable having regard to the size of the company. No Discrepancies were noticed on physical verification. However, at year end there is no inventory.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) During the year, the Company has not made any loan, investment, guarantee and securities to any person specified under section 185 and 186 of the Act. Hence provisions of Clause 3(iv) of the Order are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. During the year, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal
- (vi) According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act in respect of Company’s products. Therefore, the provisions of paragraph 3(vi) of the Order are not applicable to the Company.
- (vii) (a) According to the records of the company and information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, value added tax, service tax, goods and service tax, cess and any other statutory dues to the appropriate authorities as applicable during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable except as mentioned below:-

(Rs. in Lakhs)

| Name of the Statute  | Nature of the Dues           | Amount | Period to which amount relates | Due Date                                      |
|--|------------------------------|--------|--------------------------------|---|
| Value Added Tax, 2005  | VAT                          | 1.04   | F.Y 2014-15                    | 21 <sup>st</sup> of the succeeding month      |
|  | VAT                          | 0.67   | F.Y 2015-16                    | 21 <sup>st</sup> of the succeeding month      |
|  | VAT                          | 1.65   | F.Y 2016-17                    | 21 <sup>st</sup> of the succeeding month      |
|  | VAT                          | 0.82   | F.Y 2017-18                    | 21 <sup>st</sup> of the succeeding month      |
| The Finance Act, 1994  | Service Tax                  | 0.25   | F.Y 2015-16                    | 06 <sup>th</sup> of the succeeding month      |
|  | Service Tax                  | 0.99   | F.Y 2016-17                    | 06 <sup>th</sup> of the succeeding month      |
|  | Service Tax                  | 0.57   | F.Y 2017-18                    | 06 <sup>th</sup> of the succeeding month      |
| Maharashtra State Tax on Professions, Trades, Calling and Employment Act, 1975 | Professional Tax             | 0.006  | F.Y 2017-18                    | 31 <sup>st</sup> March of the Financial Year. |
|  | Professional Tax             | 0.026  | F.Y 2018-19                    | 31 <sup>st</sup> March of the Financial Year. |
|  | Professional Tax             | 0.038  | F.Y 2019-20                    | 31 <sup>st</sup> March of the Financial Year. |
| Income Tax Act, 1961   | Tax Deducted at Sourcs (TDS) | 1.56   | F.Y 2019-20                    | 7 <sup>th</sup> of the succeeding month       |
|  | Interest on TDS              | 0.09   | F.Y 2019-20                    |   |

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax which have not been deposited on account of any dispute.
- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purpose for which they were raised. The company has not raised moneys by way of initial public offer, further public offer (including debt instruments).
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has neither paid nor provided for managerial remuneration during the year. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

**For Pathak H.D. & Associates LLP**  
**Chartered Accountants**  
**Firm Registration No. 107783W/W100593**

**Gopal Chaturvedi**  
**Partner**  
**Membership No. 090903**  
**UDIN : 20090903AAAACK8054**

Place : Mumbai  
Date: June 30<sup>th</sup>, 2020

## **“Annexure B” to the Independent Auditor’s Report**

Referred to in paragraph 2(g) under the heading “ Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the R.T. Exports Limited on the financial statements for the year ended 31<sup>st</sup> March 2020.

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of R.T. Exports Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31<sup>st</sup>, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Pathak H.D. & Associates LLP**  
**Chartered Accountants**  
**Firm Registration No. 107783W/W100593**

**Gopal Chaturvedi**  
**Partner**  
**Membership No. 090903**  
**UDIN : 20090903AAAACK8054**  
Place: Mumbai  
Date: June 30<sup>th</sup>, 2020

BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2020

(Rs. in Lakhs)

|  | Note No. | As at 31st March 2020 | As at 31st March 2019 |
|--|----------|-----------------------|-----------------------|
| <b>ASSETS</b>  |          |                       |                       |
| <b>(1) Non - current assets</b>  |          |                       |                       |
| (a) Property, Plant and Equipment  | 5        | 153.70                | 106.58                |
| (b) Financial Assets   |          |                       |                       |
| (i) Investments  | 6        | 0.00                  | 0.00                  |
| (ii) Other Financial Assets  | 7        | 1.88                  | 1.88                  |
| (c) Other Non-Current Assets   | 8        | 2371.36               | 2,371.56              |
| <b>(2) Current assets</b>  |          |                       |                       |
| (a) Financial Assets   |          |                       |                       |
| (i) Investments  | 9        | 0.41                  | 0.41                  |
| (ii) Trade Receivables   | 10       | 13.19                 | 7.85                  |
| (iii) Cash and Cash Equivalents  | 11       | 0.38                  | 0.45                  |
| (iv) Other financial assets  | 12       | 0.27                  | 0.27                  |
| (b) Other Current Assets   | 13       | 0.00                  | 0.78                  |
| <b>(3) Assets Held for Sale</b>  |          |                       |                       |
| <b>Total Assets</b>  | 44       | <b>2.96</b>           | <b>0.00</b>           |
| <b>EQUITY AND LIABILITIES</b>  |          |                       |                       |
| <b>Equity</b>  |          |                       |                       |
| (a) Equity Share capital   | 14       | 435.90                | 435.90                |
| (b) Other Equity   | 15       | 494.69                | 487.75                |
| <b>Liabilities</b>   |          |                       |                       |
| <b>(1) Non-current liabilities</b>   |          |                       |                       |
| (a) Financials Liabilities   |          |                       |                       |
| (i) Borrowings   | 16       | 53.22                 | 0.00                  |
| (b) Provisions   | 17       | 0.00                  | 4.87                  |
| <b>(2) Current liabilities</b>   |          |                       |                       |
| (a) Financials Liabilities   |          |                       |                       |
| (i) Borrowings   | 18       | 1513.78               | 1,512.39              |
| (ii) Trade Payables  | 19       |                       |                       |
| (A) total outstanding dues of micro enterprises and small enterprises                      |          | 0.71                  | 1.07                  |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises |          | 17.99                 | 20.04                 |
| (iii) Other Financial Liabilities  | 20       | 0.00                  | 16.50                 |
| (b) Other Current Liabilities  | 21       | 27.86                 | 11.18                 |
| (c) Provisions   | 22       | 0.00                  | 0.08                  |
| <b>Total Equity and Liabilities</b>  |          | <b>2544.15</b>        | <b>2,489.78</b>       |
| Significant accounting policies  |          |                       |                       |
| See accompanying notes to the Financial Statements 1 to 46                                 |          |                       |                       |

As per our report of even date

For and on behalf of the Board of Directors

**For Pathak H.D. & Associates LLP**

**Chartered Accountants**

Firm Registration No. 107783W/W100593

**Bhavik Rashmi Bhimjani**

Chairman & Managing Director

DIN: 00160121

**Asha Yogesh Dawda**

Director

DIN: 06897196

Gopal Chaturvedi

Partner

Membership No 090903

Kirtikumar Pandya

CFO

Place : Mumbai

Date: 30.06.2020

Place : Mumbai

Date: 30.06.2020

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. in Lakhs)

|   | Note No. | 2019-20       | 2018-19        |
|---|----------|---------------|----------------|
| <b>1 Income</b>   |          |               |                |
| (a) Revenue from operations   | 23       | 270.38        | 463.77         |
| (b) Other income  | 24       | 17.49         | 20.12          |
| <b>Total Income</b>   |          | <b>287.87</b> | <b>483.89</b>  |
| <b>2 Expenses</b>   |          |               |                |
| (a) Purchase of stock in trade  | 25       | 223.28        | 383.31         |
| (b) Employee benefits expense   | 26       | 15.23         | 15.38          |
| (c) Finance costs   | 27       | 3.95          | 58.77          |
| (d) Depreciation and amortization expenses  | 28       | 9.89          | 24.93          |
| (e) Other expenses  | 29       | 27.82         | 63.03          |
| <b>Total expenses</b>   |          | <b>280.17</b> | <b>545.42</b>  |
| <b>3 Profit/(Loss) before tax (1-2)</b>   |          | <b>7.70</b>   | <b>(61.53)</b> |
| <b>4 Tax expense:</b>   |          |               |                |
| (a) Current Tax   | 35       | 0.75          | 0.00           |
| (b) Deferred tax  |          | 0.00          | (13.47)        |
| (c) Income Tax of earlier years   |          | 0.00          | 0.14           |
| Net tax expense   |          | <b>0.75</b>   | <b>(13.33)</b> |
| <b>5 Profit/(Loss) for the year (3-4)</b>   |          | <b>6.95</b>   | <b>(48.20)</b> |
| <b>6 Other Comprehensive Income</b>   |          |               |                |
| Items that will not be reclassified to profit or loss                             |          |               |                |
| (i) Remeasurements of the defined benefit plans                                   |          | 0.00          | 1.17           |
| (ii) Income tax relating to items that will not be reclassified to profit or loss |          | 0.00          | 0.00           |
| <b>Total Other Comprehensive Income</b>   |          | <b>0.00</b>   | <b>1.17</b>    |
| <b>7 Total Comprehensive income for the year (5+6)</b>                            |          | <b>6.95</b>   | <b>(47.03)</b> |
| <b>8 Earnings per equity share of face value of ` 10 each</b>                     |          |               |                |
| (a) Basic (in Rs.)  |          |               |                |
| (b) Diluted (in Rs.)  | 34       | <b>0.16</b>   | <b>(1.11)</b>  |
| Significant accounting policies   | 34       | <b>0.16</b>   | <b>(1.11)</b>  |
| See accompanying notes to the Financial Statements                                | 1 to 46  |               |                |

As per our report of even date

**For Pathak H.D. & Associates LLP**

**Chartered Accountants**

Firm Registration No. 107783W/W100593

For and on behalf of the Board of Directors

**Bhavik Rashmi Bhim jyani**  
Chairman & Managing Director  
DIN: 00160121

**Asha Yogesh Daw da**  
Director  
DIN: 06897196

Gopal Chaturvedi  
Partner  
Membership No 090903

Kirtikumar Pandya  
CFO

Place : Mumbai  
Date: 30.06.2020

Place : Mumbai  
Date: 30.06.2020



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

(Rs. in Lakhs)

|  | 2019-20        | 2018-19        |
|--|----------------|----------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>          |                |                |
| Profit/(Loss) before tax                               | 7.70           | (61.53)        |
| Adjusted for :   |                |                |
| Depreciation and amortisation expense                  | 9.89           | 24.93          |
| Finance Cost   | 3.95           | 58.77          |
| Foreign exchange loss / (gain)                         | 0.00           | 1.08           |
| Sundry Balance w ritten off                            | 1.96           | 12.19          |
| Provision for gratuity                                 | 0.00           | 1.17           |
| Excess provision w ritten back                         | (4.95)         | 0.00           |
| Profit on Sale of Fixed Assets(Net)                    | (2.45)         | (18.73)        |
| Sundry Balances w ritten Back                          | (10.08)        | (1.39)         |
| <b>Operating profit before working capital changes</b> | <b>6.02</b>    | <b>16.49</b>   |
| Adjusted for :   |                |                |
| Changes in Trade & Other Receivables                   | (6.52)         | 4.27           |
| Changes in Trade and Other Payables                    | 7.60           | (56.85)        |
| <b>Cash Generated from operations</b>                  | <b>7.10</b>    | <b>(36.09)</b> |
| Income tax refund received / (paid)                    | (0.55)         | (0.99)         |
| <b>Net cash used in operating activities</b>           | <b>6.55</b>    | <b>(37.08)</b> |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>          |                |                |
| Purchase of Property, Plant and Equipment              | (68.75)        | (0.43)         |
| Proceeds from Sale of Property, Plant and Equipment    | 11.23          | 21.00          |
| <b>Net cash flow from investing activities</b>         | <b>(57.52)</b> | <b>20.57</b>   |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>          |                |                |
| <b>Receipts of Long term Borrowings</b>                | 55.00          |                |
| <b>Payment of Long term Borrowings</b>                 | (1.78)         |                |
| Repayment)/Receipts of Short term Borrow ings (Net)    | 1.38           | 16.97          |
| Interest Paid  | 3.70           | (0.96)         |
| <b>Net cash (used in) financing activities</b>         | <b>50.90</b>   | <b>16.01</b>   |
| <b>Net (decrease) in cash and cash equivalents</b>     | <b>(0.07)</b>  | <b>(0.50)</b>  |
| <b>Opening Balance of Cash and cash equivalents</b>    | <b>0.45</b>    | <b>0.95</b>    |
| <b>Closing Balance of Cash and cash equivalents</b>    | <b>0.38</b>    | <b>0.45</b>    |
| <b>(Refer Note No. 11)</b>                             |                |                |

- 1 Bracket indicates Cash outflow .
- 2 Above cash flow statement has been prepared under indirect method as per Ind AS 7 statement of Cash Flow s .
- 3 Previous year figures have been regrouped w herever necessary to confirm current years classification.

As per our report of even date  
**For Pathak H.D. & Associates LLP**  
**Chartered Accountants**  
 Firm Registration No. 107783W/W100593

For and on behalf of the Board of Directors

**Bhavik Rashmi Bhim jyani**  
 Chairman & Managing Director  
 DIN: 00160121

**Asha Yogesh Daw da**  
 Director  
 DIN: 06897196

Gopal Chaturvedi  
 Partner  
 Membership No 090903

Kirtikumar Pandya  
 CFO

Place : Mumbai  
 Date: 30.06.2020

Place : Mumbai  
 Date: 30.06.2020

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2020

### A. Equity Share Capital (Refer Note 14)

(Rs.in Lakhs)

| Particulars          | Balance at 1st April 2018 | Changes in Equity share capital during 2018-19 | Balance at 31st March 2019 | Changes in Equity share capital during 2019-20 | Balance at 31st March 2020 |
|----------------------|---------------------------|--|----------------------------|--|----------------------------|
| Equity Share Capital | 435.90                    | -  | 435.90                     | -  | 435.90                     |

### B. Other Equity (Refer Note 15)

(Rs.in Lakhs)

| Particulars                       | Reserve & Surplus |                  |                  | Total         |
|-----------------------------------|-------------------|------------------|------------------|---------------|
|                                   | Capital Reserve   | Security Premium | Retained Earning |               |
| <b>Balance at 1st April 2018</b>  | 5.53              | 355.67           | 173.58           | 534.77        |
| Profit / (Loss) for the year      | -                 | -                | (48.20)          | (48.20)       |
| Other Comprehensive Income        | -                 | -                | 1.17             | 1.17          |
| <b>Balance at 31st March 2019</b> | <b>5.53</b>       | <b>355.67</b>    | <b>126.55</b>    | <b>487.75</b> |
| Profit / (Loss) for the year      | -                 | -                | 6.95             | 6.95          |
| Other Comprehensive Income        | -                 | -                | -                | -             |
| <b>Balance at 31st March 2020</b> | <b>5.53</b>       | <b>355.67</b>    | <b>133.50</b>    | <b>494.69</b> |

As per our report of even date  
**For Pathak H.D. & Associates LLP**  
**Chartered Accountants**  
 Firm Registration No. 107783W/W100593

For and on behalf of the Board of Directors

**Bhavik Rashmi Bhim jyani**  
 Chairman & Managing Director  
 DIN: 00160121

**Asha Yogesh Daw da**  
 Director  
 DIN: 06897196

Gopal Chaturvedi  
 Partner  
 Membership No 090903

Kirtikumar Pandya  
 CFO

Place : Mumbai  
 Date: 30.06.2020

Place : Mumbai  
 Date: 30.06.2020

**Note 1- CORPORATE INFORMATION:**

R.T. Exports Limited ('the Company') is a Public Limited Company domiciled and incorporated under Companies Act, 1956 and its shares are publicly traded on the Bombay Stock Exchange (BSE), in India. The Registered office of the company is situated at 508, Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400021.

Company is engaged in the business of Trading of Agri product, mainly Rice.

The financial statements for the year ended 31<sup>st</sup> March, 2020 were approved and adopted by board of directors in their meeting held on 30<sup>th</sup> June 2020.

**Note 2 – BASIS OF PREPARATION:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and the relevant provisions of the Companies Act, 2013 ("the Act").

The Company prepared its financial statements in accordance the Indian Accounting Standards (Ind AS) are notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which are measured at fair value/ amortised cost.

The financial statements are presented in Indian Rupees, which is the company's functional and presentation currency.

**Note 3 – SIGNIFICANT ACCOUNTING POLICIES:**

**3.1 Property, Plant and Equipment:**

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use.

Depreciation on the property, plant and equipment is provided using Straight Line method over the useful life of assets as specified in schedule II to the Companies Act 2013. Depreciation on Property, plant and equipment which are added disposed off during the year, is provided on pro-rata basis with reference to the date of addition/deletion. Freehold land is not depreciated.

The assets residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Profits/ Losses arising in the case of retirement/ disposal of Property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

## 3.2 Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the weighted average basis.

## 3.3 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short term deposit with an original maturity of three month or less, which are subject to an insignificant risk of changes in values.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's Cash management.

## 3.4 Financial Instruments- Initial recognition, subsequent measurement& impairment:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial assets - Initial recognition and measurement:

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

### Financial assets - Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified in two broad categories:-

- a) Financial assets at fair value
- b) Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income)

A financial asset that meets the following two conditions is measured at **amortized cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

a) **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flow.

b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

- a) **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.
- b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

### **Financial assets - Derecognition**

A financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flow from the asset.

### **Financial liabilities - Initial recognition and measurement:**

The financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cost.

### **Financial liabilities – Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carryings amounts are approximate at their fair value due to the short maturity of these instruments.

### **Financial Liabilities – Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount is recognised in the statement of profit and loss.

### **3.5 Impairment of assets**

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the statement of profit and loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

### **3.6 Provisions, Contingent Liabilities, Contingent Assets and Commitments:**

Provisions are recognised when the company has a present obligation (Legal or constructive) as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is the material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the notes to the financial statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related assets are no longer a contingent asset, but it is recognised as an asset.

### **3.7 Revenue Recognition and Other Income**

Revenue is recognized upon transfer of control of goods (equipment) or rendering of services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services.

Generally, control is transfer upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Rental incomes are recognised on accrual basis on time proportion basis.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

#### **Contract balances Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional.

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognized as revenue when the Company performs under the contract.

### **3.8 Foreign currency reinstatement and translation:**

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates as on balance sheet date and the resulting exchange difference recognized in statement of profit and loss. Differences arising on settlement of monetary items are also recognized in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

### **3.9 Employee Benefits**

Short term employee benefits are recognized as an expense in the statement of profit and loss of the year in which the related services are rendered.

The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss. Remeasurements of defined benefit plan in respect of post-employment and other long term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

### **3.10 Taxes on Income**

Income tax expense represents the sum of current tax (including MAT and income tax for earlier years) and deferred tax. Tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such cases the tax is also recognized directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognized in equity or other comprehensive income is also recognized in equity or other comprehensive income. Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. Deferred tax assets and liabilities are measured at the applicable tax rates. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to

the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilized.

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### **3.11 Borrowing Costs**

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

### **3.12 Earnings per Share**

Basic earnings per share are computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

### **3.13 Current and Non-current classification**

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

#### **An asset is classified as current when it is:**

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle,



- b) Held primarily for the purpose of trading,
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is classified as current when it is:**

- a) expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

### 3.14 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy.

### 3.15 Off-setting financial Instrument

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable rights to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

### 3.16 Segment Reporting – Identification of Segments

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in In AS 108, the chief operating decision maker evaluates the company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### **3.17 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

### **3.18 Discontinued operation and non-current assets (or disposal groups) held for sale:**

#### **Discontinued operation:**

A discontinued operation is a component of the Company that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

#### **Non-current assets (or disposal groups) held for sale:**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognized in the Statements of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Balance Sheet.

### **Note 4 – SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### **4.1 Property, plant and equipment:**

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

#### **4.2 Income Tax:**

The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported.

#### **4.3 Contingencies:**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

#### **4.4 Impairment of financial assets:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### **4.5 Impairment of non-financial assets:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

#### **4.6 Defined benefits plans:**

The Cost of the defined benefit plan and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### **4.7 Recoverability of trade receivable:**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

#### **4.8 Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the

application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

#### **4.9 Fair value measurement of financial instruments:**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### **4.10 Global health pandemic on Covid-19:**

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In assessing the recoverability of Company's assets such as financial asset and non-financial assets, the Company has considered internal and external information. The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial statements and the Company expects to recover the carrying amount of all the assets.

## 5. Property, Plant & Equipment

(Rs. in Lakhs)

| Particulars                           | Freehold Land | Buildings    | Plant & equipment | Furniture & fixtures | Vehicles     | Total         |
|---------------------------------------|---------------|--------------|-------------------|----------------------|--------------|---------------|
| <b>Gross Carrying Amount :</b>        |               |              |                   |                      |              |               |
| Balance as at 1st April, 2018         | 2.96          | 100.11       | 0.19              | 4.99                 | 46.01        | 154.26        |
| Additions                             | -             | -            | 0.43              | -                    | -            | 0.43          |
| Deletions                             | -             | 2.90         | -                 | -                    | -            | 2.90          |
| Adjustment                            | -             | -            | -                 | 0.09                 | -            | 0.09          |
| <b>Balance as at 31st March, 2019</b> | <b>2.96</b>   | <b>97.21</b> | <b>0.62</b>       | <b>4.90</b>          | <b>46.01</b> | <b>151.70</b> |
| Additions                             | -             | -            | -                 | -                    | 68.75        | 68.75         |
| Deletions                             | -             | -            | -                 | 2.59                 | 30.97        | 33.56         |
| Assets classified as held for sale    | 2.96          | -            | -                 | -                    | -            | 2.96          |
| <b>Balance as at 31st March, 2020</b> | <b>-</b>      | <b>97.21</b> | <b>0.62</b>       | <b>2.31</b>          | <b>83.79</b> | <b>183.93</b> |
| <b>Accumulated Depreciation</b>       |               |              |                   |                      |              |               |
| Balance as at 1st April, 2018         | -             | 6.97         | 0.19              | 1.95                 | 11.80        | 20.83         |
| Additions                             | -             | 2.62         | 0.08              | 0.03                 | 22.19        | 24.93         |
| Deletions                             | -             | 0.63         | -                 | -                    | -            | 0.63          |
| Adjustment                            | -             | -            | -                 | 0.09                 | -            | 0.09          |
| <b>Balance as at 31st March, 2019</b> | <b>-</b>      | <b>8.96</b>  | <b>0.27</b>       | <b>1.89</b>          | <b>33.99</b> | <b>45.12</b>  |
| Additions                             | -             | -            | -                 | -                    | -            | -             |
| Deletions                             | -             | 2.37         | 0.14              | 0.02                 | 7.36         | 9.89          |
| <b>Balance as at 31st March, 2020</b> | <b>-</b>      | <b>-</b>     | <b>-</b>          | <b>0.99</b>          | <b>23.79</b> | <b>24.78</b>  |
|                                       | -             | 11.33        | 0.41              | <b>0.92</b>          | 17.56        | 30.23         |
| <b>Net Carrying Amount :</b>          |               | <b>8.96</b>  | <b>0.27</b>       |                      | <b>33.99</b> | <b>45.12</b>  |
| <b>Balance as at 31st March, 2020</b> | <b>-</b>      | <b>85.88</b> | <b>0.21</b>       | <b>1.39</b>          | <b>66.23</b> | <b>153.70</b> |
| <b>Balance as at 31st March, 2019</b> | <b>2.96</b>   | <b>88.25</b> | <b>0.35</b>       | <b>3.01</b>          | <b>12.02</b> | <b>106.58</b> |

5.1 In accordance with the Ind As-36 on “Impairment of Assets”, the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of this review carried out by the management, there was no impairment loss on property plant and equipment during the year ended 31.03.2020.

|           | Particulars  | As at 31st March 2020 | As at 31st March 2019  |
|-----------|--|-----------------------|------------------------|
| <b>6</b>  | <b>Investment</b>  |                       |                        |
|           | In Unquoted Equity Share fully paid up (at cost)                 |                       |                        |
|           | Neelkanth Relators P.Ltd.  | 0.00                  | 0.00                   |
|           | (One share of ` 100 each)  |                       |                        |
|           | <b>Total</b>   | <u><u>0.00</u></u>    | <u><u>0.00</u></u>     |
| <b>7</b>  | <b>Other Non-current financial assets</b>                        |                       |                        |
|           | (Unsecured and considered good unless otherwise stated)          |                       |                        |
|           | Deposits   | 1.88                  | 1.88                   |
|           | <b>Total</b>   | <u><u>1.88</u></u>    | <u><u>1.88</u></u>     |
| <b>8</b>  | <b>Other non-current assets</b>                                  |                       |                        |
|           | <b>(Unsecured and considered good unless otherwise stated)</b>   |                       |                        |
|           | Capital Advance  | 2,344.34              | 2,344.34               |
|           | Mat Credit Entitlement   | 26.53                 | 26.53                  |
|           | Advance Income Tax (Net of Provision)                            | 0.49                  | 0.69                   |
|           | <b>Total</b>   | <u><u>2371.36</u></u> | <u><u>2,371.56</u></u> |
| <b>9</b>  | <b>Investment</b>  |                       |                        |
|           | In Government Security   |                       |                        |
|           | National Saving Certificate                                      | 0.41                  | 0.41                   |
|           | <b>Total</b>   | <u><u>0.41</u></u>    | <u><u>0.41</u></u>     |
| <b>10</b> | <b>Trade receivables</b>   |                       |                        |
|           | <b>Trade Receivables considered good - Secured</b>               | -                     | -                      |
|           | Trade Receivables considered good - Unsecured                    | 13.19                 | 7.85                   |
|           | Trade Receivables which have significant increase in Credit Risk | 1.96                  | -                      |
|           | Trade Receivables - credit impaired                              | -                     | -                      |
|           | Less: Provision for Expected Credit Loss                         | 1.96                  | -                      |
|           | <b>Total</b>   | <u><u>13.19</u></u>   | <u><u>7.85</u></u>     |
| <b>11</b> | <b>Cash and cash equivalents</b>                                 |                       |                        |
|           | Cash on hand   | 0.15                  | 0.24                   |
|           | Balance with banks   |                       |                        |
|           | -in current accounts   | 0.23                  | 0.21                   |
|           | <b>Total</b>   | <u><u>0.38</u></u>    | <u><u>0.45</u></u>     |
| <b>12</b> | <b>Other Financial Assets</b>                                    |                       |                        |
|           | Interest Accrued on N.S.C.                                       | 0.27                  | 0.27                   |
|           | Other Advances   | -                     | 0.01                   |
|           | <b>Total</b>   | <u><u>0.27</u></u>    | <u><u>0.28</u></u>     |

|            |  |                 |                 |
|------------|--|-----------------|-----------------|
| <b>13</b>  | <b>Other Current Assets</b>  |                 |                 |
|            | Advance Agst. Property/goods/exp.  | -               | 0.53            |
|            | Prepaid Expenses   | -               | 0.25            |
|            | <b>Total</b>   | <b>-</b>        | <b>0.78</b>     |
| <b>14</b>  | <b>Equity Share capital</b>  |                 |                 |
| <b>(a)</b> | <b>Authorised Share Capital</b>  |                 |                 |
|            | 1,70,00,000 (As at 31st March 2019:1,70,00,000) Equity shares of Rs.10 each  | 1,700.00        | 1,700.00        |
|            | 19,00,000 (As at 31st March 2019: 19,00,000) Preference shares of Rs.100 each  | 1,900.00        | 1,900.00        |
|            | <b>Total</b>   | <b>3,600.00</b> | <b>3,600.00</b> |
| <b>(b)</b> | <b>Issued, subscribed and paid up capital</b>  |                 |                 |
|            | 43,59,000 (As at 31st March 2019:43,59,000) Equity shares of Rs.10 each fully paid up of the above 5,62,500 shares of Rs.10 each were allotted as fully paid up bonus shares by capitalisation of free reserves. | 435.90          | 435.90          |
|            | <b>Total</b>   | <b>435.90</b>   | <b>435.90</b>   |

#### Terms/Rights attached to Equity shares

14.1 The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- per share. Holders of equity shares are entitled to one vote per share.

14.2 Details of shareholders holding more than 5% shares of the Company:

(Nos in Lakhs)

|      | Name of the Shareholder | As at 31/03/2020 |              | As at 31/03/2019 |              |
|------|-------------------------|------------------|--------------|------------------|--------------|
|      |                         | No. of Shares    | % of holding | No. of Shares    | % of holding |
| i.   | Rashmi Bhimjyani        | 17.57            | 40.30%       | 17.57            | 40.30%       |
| ii.  | Rekha Bhimjyani         | 3.93             | 9.01%        | 4.39             | 10.07%       |
| iii. | Bhavik Bhimjyani        | 6.78             | 15.57%       | 6.30             | 14.45%       |
| iv.  | Gulshan Rai             | 3.36             | 7.72%        | 3.36             | 7.72%        |

#### 14.3 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

| Particulars                                | As at                            | As at                            |
|--|----------------------------------|----------------------------------|
|  | 31st March 2020<br>No. of Shares | 31st March 2019<br>No. of Shares |
| Equity Shares at the beginning of the year | 43.59                            | 43.59                            |
| Add: Shares issued during the year         | -                                | -                                |
| Equity Shares at the end of the year       | 43.59                            | 43.59                            |



(Rs. in Lakhs)

|           | Particulars                       | As at<br>31st March 2020 | As at<br>31st March 2019 |
|-----------|-----------------------------------|--------------------------|--------------------------|
| <b>15</b> | <b>Other Equity</b>               |                          |                          |
|           | <b>Capital Redemption Reserve</b> |                          |                          |
|           | As per Last Balance sheet         | 5.53                     | 5.53                     |
|           | <b>Securities Premium Account</b> | 355.67                   | 355.67                   |
|           | As per Last Balance sheet         |                          |                          |
|           | <b>Retained Earnings</b>          |                          |                          |
|           | As per Last Balance Sheet         | 126.55                   | 173.58                   |
|           | Add: Profit/(Loss) for the year   | 6.95                     | (48.20)                  |
|           | Add: Other Comprehensive Income   | -                        | 1.17                     |
|           | Closing Balance                   | 133.50                   | 126.55                   |
|           | <b>Total Other Equity</b>         | <b>494.69</b>            | <b>487.75</b>            |

#### 15.1 Nature and Purpose of Reserve

##### 1 Capital Redemption reserve

Capital Redemption reserve was created against redemption of preference shares. The reserve will be utilized in accordance with the provisions of Companies Act 2013.

##### 2 Securities Premium

Securities Premium Account is used to record the premium on issue of shares and is utilized in accordance with the provisions of the Companies Act, 2013.

##### 3 Retained Earnings

Retained Earnings are the profits/losses of the Company earned till date net of appropriations.

(Rest. in Lakhs)

|           | Particulars  | As at<br>31st March 2020 | As at<br>31st March 2019 |
|-----------|--|--------------------------|--------------------------|
|           | <b>Non –current Financial Liabilities</b>  |                          |                          |
| <b>16</b> | <b>Borrowings</b>  |                          |                          |
|           | Vehicle Loan from Bank (See below note)<br>Note: Vehicle loans are secured by way of hypothecation of vehicle.<br>Rate of interest @9.50% pa and payment tenure in monthly installments upto July 2026 | 53.22                    | -                        |
| <b>17</b> | <b>Provisions</b>  |                          |                          |
|           | Provision for Gratuity (Refer Note 37)   | -                        | 4.87                     |
|           | <b>Total</b>   | <u>-</u>                 | <u>4.87</u>              |
| <b>18</b> | <b>Borrowings</b>  |                          |                          |
|           | 7,00,000 (previous Year 7,00,000 9% cumulative preference share of Rs. 100 each fully paid (Refer Note 18.1)   | 700.00                   | 642.20                   |
|           | 795,415 (as at 31.03.2019 : 795415) 6% Non cumulative Redeemable Preference shares of Rs. Rs. 100 each fully paid up (Refer Note 18.2)   | 795.42                   | 795.42                   |
|           | Unsecured Loan from Director (Refer Note 18.3)   | 18.36                    | 16.97                    |
|           | <b>Total</b>   | <u>1513.78</u>           | <u>1,512.39</u>          |

#### Rights, Preferences and restrictions attached to shares

18.1 Preference Shares: 9% Cumulative Redeemable Preference Shares issued to Neelkanth Realtors Pvt. Limited. The said shares shall be redeemable on 31st December 2020.

*i Details of shares held by shareholders holding more than 5% Preference Shares in the Company*

| Name of Share holder           | % held | 31st March 2020 | 31st March 2019 |
|--------------------------------|--------|-----------------|-----------------|
| Neelkanth Realtors Pvt Limited | 100%   | 700,000         | 700,000         |

**ii Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:**

| Particulars                                    | As at<br>31st March 2020 | As at<br>31st March 2019 |
|--|--------------------------|--------------------------|
| Preference Shares at the beginning of the year | 700,000                  | 700,000                  |
| Add : Shares issued during the year            | -                        | -                        |
| Preference Shares at the end of the year       | 700,000                  | 700,000                  |

- iii. The Board of Directors in their meeting held , considered and approved the extension of redemption upto 31.12.2020, existing 9% cumulative preference shares of Rs.100 each.

18.2 Preference Shares: 6% Non-Convertible Redeemable Cumulative Preference Shares issued to Harmony Holdings Limited and transferred to Kutch Warehouses Private Limited. The said shares shall be redeemable on 31.12. 2020.

The reclassified 795,415 6% Non-cumulative Redeemable Preference shares issued to Harmony Holdings Limited are transferred to Kutch Warehouses Private Limited with modified terms and conditions vide resolution passed at the stake holders meeting dated 14.02.2018.

**i Details of shares held by shareholders holding more than 5% Preference Shares in the Company**

| Name of Share holder             | % held | 31st March 2020 | 31st March 2019 |
|----------------------------------|--------|-----------------|-----------------|
| Kutch Warehouses Private Limited | 100%   | 795,415         | 795,415         |

**ii Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:**

| Particulars                                    | As at 31st<br>March 2020 | As at 31st<br>March 2019 |
|--|--------------------------|--------------------------|
| Preference Shares at the beginning of the year | 795,415                  | 795,415                  |
| Add : Shares issued during the year            | -                        | -                        |
| Preference Shares at the end of the year       | 795,415                  | 795,415                  |

- iii The Board of Directors in their meeting held, considered and approved the extension of redemption upto 31<sup>st</sup> December, 2020 existing 6% non-cumulative preference shares of Rs. 100 each

18.3 Unsecured loan from Directors is interest free loan and repayable on demand.

Rs. in Lakhs)

| Particulars  | As at 31st<br>March 2020 | As at 31st<br>March 2019 |
|--|--------------------------|--------------------------|
| <b>19</b>  |                          |                          |
| <b>Trade payables</b>  |                          |                          |
| (A) total outstanding dues of micro enterprises and small enterprises (Refer note 39)      | 0.71                     | 1.07                     |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | 17.99                    | 20.04                    |
| <b>Total</b>   | <b><u>18.70</u></b>      | <b><u>21.11</u></b>      |

| Particulars                           | As at<br>31st March 2020 | As at<br>31st March 2019 |
|---------------------------------------|--------------------------|--------------------------|
| <b>20 Other financial Liabilities</b> |                          |                          |
| Book overdraft                        | -                        | 16.50                    |
| <b>Total</b>                          | <b><u>-</u></b>          | <b><u>16.50</u></b>      |

|           | Particulars                                 | As at 31st<br>March 2020         | As at 31st<br>March 2019         |
|-----------|---|----------------------------------|----------------------------------|
| <b>21</b> | <b>Other Current Liabilities</b>            |                                  |                                  |
|           | Employee Dues Payable                       | 5.60                             | -                                |
|           | Statutory dues                              | 8.42                             | 7.24                             |
|           | Interest on Delay payment of Statutory Dues | 0.26                             | 0.01                             |
|           | Payable for Expenses                        | 3.54                             | 2.93                             |
|           | Others                                      | 1.00                             | 1.00                             |
|           | Advance from Customers                      | 9.04                             | -                                |
|           | <b>Total</b>                                | <b><u>27.86</u></b>              | <b><u>11.18</u></b>              |
|           | <b>Particulars</b>                          | <b>As at 31st<br/>March 2020</b> | <b>As at 31st<br/>March 2019</b> |
| <b>22</b> | <b>Provisions</b>                           |                                  |                                  |
|           | Provision for Gratuity (Refer Note 37)      | -                                | 0.08                             |
|           | <b>Total</b>                                | <b><u>-</u></b>                  | <b><u>0.08</u></b>               |
|           | <b>Particulars</b>                          | <b>As at 31st March<br/>2020</b> | <b>As at 31st<br/>March 2019</b> |
| <b>23</b> | <b>Revenue from operations</b>              |                                  |                                  |
|           | (a) Sales of Product                        | 270.38                           | 463.77                           |
|           | <b>Total</b>                                | <b><u>270.38</u></b>             | <b><u>463.77</u></b>             |
| <b>24</b> | <b>Other income</b>                         |                                  |                                  |
|           | Profit on Sale of Fixed Assets (Net)        | 2.45                             | 18.73                            |
|           | Excess provisions W/back                    | 4.95                             | -                                |
|           | Sundry Balance W/back                       | 10.09                            | 1.39                             |
|           | <b>Total</b>                                | <b><u>17.49</u></b>              | <b><u>20.12</u></b>              |
| <b>25</b> | <b>Purchase of stock in Trade</b>           | 223.28                           | 383.31                           |
|           | <b>Total</b>                                | <b><u>223.28</u></b>             | <b><u>383.31</u></b>             |

|             | Particulars  | As at 31st<br>March 2020 | As at 31st<br>March 2019 |
|-------------|--|--------------------------|--------------------------|
| <b>26</b>   | <b>Employee benefits expense</b>                           |                          |                          |
|             | Salaries and wages   | 15.20                    | 14.06                    |
|             | Gratuity   | -                        | 1.06                     |
|             | Staff welfare expenses                                     | 0.03                     | 0.26                     |
|             | <b>Total</b>   | <b><u>15.23</u></b>      | <b><u>15.38</u></b>      |
| <b>27</b>   | <b>Finance costs</b>                                       |                          |                          |
|             | Interest Expense   | -                        | 0.52                     |
|             | Interest on Vehical Loan                                   | 3.62                     | -                        |
|             | Interest on TDS Late Payment                               | 0.33                     | 0.45                     |
|             | Unwinding of financial liabilities                         | -                        | 57.80                    |
|             | <b>Total</b>   | <b><u>3.95</u></b>       | <b><u>58.77</u></b>      |
| <b>28</b>   | <b>Depreciation on Property,Plant &amp; Equipment</b>      |                          |                          |
|             | Depreciation on Property,Plant & Equipment                 | 9.89                     | 24.93                    |
|             | <b>Total</b>   | <b><u>9.89</u></b>       | <b><u>24.93</u></b>      |
| <b>29</b>   | <b>Other Expenses</b>                                      |                          |                          |
|             | Advertisement Expenses                                     | 0.73                     | 0.55                     |
|             | Insurance  | 0.41                     | 0.12                     |
|             | Travelling and conveyance                                  | 1.98                     | 2.76                     |
|             | Sundry Balance Written Off                                 | -                        | 12.19                    |
|             | Repairs and maintenance                                    | 0.77                     | 7.15                     |
|             | Payment to auditors (refer note 29.1)                      | 4.35                     | 4.52                     |
|             | Legal and professional fees                                | 9.21                     | 5.03                     |
|             | Rates & Taxes  | 1.07                     | 3.26                     |
|             | Listing Fees   | 3.54                     | 5.07                     |
|             | Commission   | -                        | 7.24                     |
|             | Export Expenses  | -                        | 7.80                     |
|             | Foreign exchange fluctuation loss                          | -                        | 1.08                     |
|             | Allowances for Doubtful Debts                              | 1.96                     | -                        |
|             | Other Expenses   | 3.80                     | 6.26                     |
|             | <b>Total</b>   | <b><u>27.82</u></b>      | <b><u>63.03</u></b>      |
| <b>29.1</b> | <b>Payments to the auditors comprises:</b>                 |                          |                          |
|             | Statutory audit fees                                       | 2.50                     | 2.50                     |
|             | Other services (including limited reviews, certifications) | 1.10                     | 1.27                     |
|             | Tax audit fees   | 0.75                     | 0.75                     |
|             | <b>Total</b>   | <b><u>4.35</u></b>       | <b><u>4.52</u></b>       |

## 30.1 Contingent Liabilities

(Rs. in Lakhs)

| Particulars  | As at           | As at           |
|--|-----------------|-----------------|
|  | 31st March 2020 | 31st March 2019 |
| The Hon. II Add. Dist. Judge, Tindivanam, Tamil Nadu, in original suit No.2 of 2011 between Ms. Aurosimon, Division of Ms. Aurofood Ltd. Vs Ms R.T. Exports Ltd. have decreed and ordered the Company to pay a sum of ₹21,46,316/- with Interest at 6% per annum from the date of decree till realization to Ms. Aurosimon. Ms. R.T. Exports Ltd. has filed an appeal in the High Court of judicature at Madras and the matter is pending before the Hon. Court. | 21.46           | 21.46           |

30.2 Management is of the view that above litigation will not impact the financial position of the company.

- 31 The Chairman and Managing Director have requested the Company to waive the remuneration payable to them for the financial year 2019-20. The Board of Directors at its meeting held on 30<sup>th</sup> June, 2020 has approved the request. Hence no provision has been made in the books of accounts for the year ended 31st March 2020 for remuneration payable to the Chairman and Managing Director.
- 32 Board of directors in their meeting held on September 20, 2018 approved scheme for reduction of share capital of the Company whereby issued and paid up preference share capital amounting to Rs. 1495.42 Lakh (divided into 7,00,000 9% cumulative preference shares of 100 each and 7,95,415 6% non-cumulative preference shares of Rs. 100 each) is proposed to be reduced. Since the Scheme is pending for requisite approvals no accounting treatment is given for the same.
- 33 Hon'ble High court, Bombay vide its order dated 10th April 2015 have approved the scheme of arrangement consisting of de-merger of warehousing Business of R T Exports Limited (The demerged company) into Asian Warehousing Limited (since converted into Public Limited Company) (the resulting Company) with effect from 01.04.2012 (appointed date). Accordingly all the Assets, Liabilities, business has been accounted in resulting Company to give effect to the court order, during the financial year 2015-2016. The resulting company is in process of security listed on stock exchange.

## 34 Earnings Per Share (EPS)

| Particulars  | 2019-20   | 2018-19   |
|--|-----------|-----------|
| Net profit after tax as per Profit and Loss Statement attributable to Equity Shareholders (₹ in Lakhs) | 6.95      | (48.20)   |
| Weighted average number of equity shares used as denominator for calculating Basic EPS                 | 43,59,000 | 4,359,000 |
| Weighted average number of equity shares used as denominator for calculating Diluted EPS               | 43,59,000 | 4,359,000 |
| Basic Earnings per Share (₹)   | 0.16      | (1.11)    |
| Diluted Earnings per Share (₹)   | 0.16      | (1.11)    |
| Face Value per Equity Share (₹)  | 10.00     | 10.00     |

## 35 Taxation

- 35.1 The Company has not recognised any deferred tax assets on deductible temporary differences, unused tax losses as it is not probable that the company will have sufficient future taxable profit which can be available against the available tax losses.

A Reconciliation between tax expenses/(income) and accounting profit multiplied by tax rate for the year ended 31st March 2020 and 31st March 2019

(Rs. in Lakhs)

| Particulars  | As at<br>31st March 2020 | As at<br>31st March 2019 |
|--|--------------------------|--------------------------|
| Accounting profit before tax   | 7.70                     | (61.53)                  |
| Applicable Tax rate  | 26.00%                   | 26.00%                   |
| <b>Computed Tax savings</b>  | <b>2.00</b>              | <b>(16.00)</b>           |
| Tax effect on account of:  |                          |                          |
| Lower tax rate & indexation benefits   | 0.75                     | -                        |
| Fair value changes   | 0.51                     | 15.03                    |
| Utilization of bought forward depreciation & losses                                    | -                        | (2.30)                   |
| Expenses Disallowed  | 0.09                     | 0.61                     |
| Property Plant and Equipment   | (1.31)                   | -                        |
| Tax on other income  | (1.29)                   | -                        |
| <b>Current Tax (A)</b>   | <b>0.75</b>              | <b>(2.66)</b>            |
| <b>Tax of earlier year (B)</b>   | <b>0</b>                 | <b>0.14</b>              |
| Incremental Deferred Tax Asset on account of unwinding of Financial Liabilities & PPE. | -                        | (24.58)                  |
| Incremental Deferred Tax Asset on account of unabsorbed Tax losses.                    | -                        | 13.03                    |
| Incremental Deferred Tax Liability on account of other items.                          | -                        | (1.92)                   |
| <b>Deferred Tax provision (C)</b>  | <b>-</b>                 | <b>(13.47)</b>           |
| <b>Tax expense recognised in Profit &amp; Loss (A+B+C)</b>                             | <b>0.75</b>              | <b>(13.33)</b>           |

B Deferred Tax Liabilities related to the following:

| Particulars                                      | Balance sheet            |                          | Profit and Loss |                |
|--|--------------------------|--------------------------|-----------------|----------------|
|  | As at<br>31st March 2020 | As at<br>31st March 2019 | 31.03.2020      | 31.03.2019     |
| <b>Deferred Tax Liabilities</b>                  |                          |                          |                 |                |
| Property, Plant and Equipment                    | 10.19                    | -                        | -               | -              |
| Fair Valuation of Financial liability            | -                        | 9.28                     | -               | (24.31)        |
| Employee benefits                                | -                        | 1.95                     | -               | (1.92)         |
| <b>Deferred Tax Liabilities (A)</b>              | <b>10.19</b>             | <b>11.23</b>             | <b>-</b>        | <b>(26.23)</b> |
| Property Plant and Equipment                     | -                        | (3.91)                   | -               | (0.27)         |
| Unabsorbed Tax losses                            | 27.97                    | (23.88)                  | -               | 13.03          |
| Fair valuation of Financial Assets               | (0.51)                   | -                        | -               | -              |
| <b>Deferred Tax Assets (B)</b>                   | <b>28.48</b>             | <b>(27.79)</b>           | <b>-</b>        | <b>12.76</b>   |
| <b>Net Deferred Tax Liability/(Assets) (A-B)</b> | <b>(18.29)</b>           | <b>(16.56)</b>           | <b>-</b>        | <b>(13.47)</b> |

### 36 Segment Reporting

The Company's operating segments are established on the basis of those components that are evaluated by the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments', in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting :

a Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of



the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

- b** Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as unallocable segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocated"
- c** As per Indian Accounting Standard 108 - Operating Segments, the Company has reported segment on the basis of businesses conducted.
- d** The reportable segments are described below :
- The Agro Segment includes trading mainly in rice
  - The business, which were not reportable segments, have been grouped under The "Others" segment. This mainly comprises of services and renting.

### 36.1 Segmental Information for the year ended 31 March 2020

(Rs. in Lakhs)

| Particulars  | Business Segments |          |                |               |
|--|-------------------|----------|----------------|---------------|
|  | Agro              | Others   | Unallocated    | Total         |
| <b>A Segment Revenue</b>                                       |                   |          |                |               |
| External Turnover  | 270.38            | -        | -              | 270.38        |
| <b>Segment Revenue</b>   | <b>270.38</b>     | <b>-</b> | <b>-</b>       | <b>270.38</b> |
| <b>B</b>   |                   |          |                |               |
| <b>Segment Results before interest and taxes</b>               | 44.60             | -        | -              | 44.60         |
| Less: Other Unallocable Expenditure net off Unallocable Income | -                 | -        | 32.95          | 32.95         |
| Less: Finance Cost   | -                 | -        | 3.95           | 3.95          |
| <b>Net Profit before tax</b>                                   | <b>44.60</b>      | <b>-</b> | <b>(36.90)</b> | <b>7.70</b>   |
| Current Tax  | -                 | -        | 0.75           | 0.75          |
| Deferred Tax   | -                 | -        | -              | -             |
| <b>Profit after tax</b>  | <b>44.60</b>      | <b>-</b> | <b>(37.65)</b> | <b>6.95</b>   |
| <b>Other Information</b>                                       |                   |          |                |               |
| Segment Assets   | 93.18             | 2350.23  | 100.74         | 2544.15       |
| Segment Liabilities  | -                 | -        | 1613.56        | 1613.56       |
| Depreciation   | 2.37              | -        | 7.52           | 9.89          |

| Particulars  | Business Segments |          |                 |                |
|--|-------------------|----------|-----------------|----------------|
|  | Agro              | Others   | Unallocated     | Total          |
| <b>A Segment Revenue</b>                           |                   |          |                 |                |
| External Turnover                                  | 463.77            | -        | -               | 463.77         |
| <b>Segment Revenue</b>                             | <b>463.77</b>     | <b>-</b> | <b>-</b>        | <b>463.77</b>  |
| <b>B Segment Results before interest and taxes</b> | 61.74             | -        | -               | 61.74          |
| Less: Other Unallocable Expenditure net off        | -                 | -        | 64.50           | 64.50          |
| Unallocable Income                                 | -                 | -        | -               | -              |
| Less: Finance Cost                                 | -                 | -        | 58.77           | 58.77          |
| <b>Net Profit before tax</b>                       | <b>61.74</b>      | <b>-</b> | <b>(123.27)</b> | <b>(61.53)</b> |
| Current Tax  | -                 | -        | 0.14            | 0.14           |
| Deferred Tax                                       | -                 | -        | (13.47)         | (13.47)        |
| <b>Profit after tax</b>                            | <b>61.74</b>      | <b>-</b> | <b>(109.94)</b> | <b>(48.20)</b> |
| Other Information                                  |                   |          |                 |                |
| Segment Assets                                     | 88.25             | 2,352.19 | 49.34           | 2489.78        |
| Segment Liabilities                                | 5.36              | -        | 1,560.77        | 1,566.13       |
| Depreciation                                       | 2.62              | -        | 22.31           | 24.93          |

### 37 Defined benefit plans

The Company provides gratuity (which is unfunded) as employee benefit schemes to its employees.

The following table sets out the status of the defined benefit scheme and the amount recognised in the financial statements:

- i) Reconciliation of opening and closing balances of Defined Benefit Obligation:

(Rs. in Lakhs)

| Particulars  | Gratuity (Unfunded) |         |
|--|---------------------|---------|
|  | 2019-20             | 2018-19 |
| Defined Benefit obligation at beginning of the year    | 4.95                | 5.06    |
| Current Service Cost                                   | -                   | 0.68    |
| Past Service Cost                                      | -                   | -       |
| Interest Cost  | -                   | 0.38    |
| Excess provision /back                                 | 4.95                | -       |
| Actuarial (gain)/loss arising on experience adjustment | -                   | 1.17    |
| Benefits paid  | -                   | -       |
| Defined Benefit obligation at year end                 | -                   | 4.95    |

ii) Expenses recognised during the year:

(Rs. in Lakhs)

| Particulars  | Gratuity (Unfunded) |             |
|--|---------------------|-------------|
|  | 2019-20             | 2018-19     |
| <b>In Income Statement</b>                           |                     |             |
| Current Service Cost                                 | -                   | 0.68        |
| Past Service Cost                                    | -                   | -           |
| Interest Cost  | -                   | 0.38        |
| <b>Net Cost</b>                                      | -                   | <b>1.06</b> |
| <b>In Other Comprehensive Income</b>                 |                     |             |
| Actuarial (gain)/ loss on defined benefit obligation | -                   | 1.17        |
| <b>Net (Income)/Expense recognized in OCI</b>        | -                   | <b>1.17</b> |

iii) Actuarial assumptions:

| Particulars                              | Gratuity (Unfunded) |         |
|--|---------------------|---------|
|  | 2019-20             | 2018-19 |
| Mortality Table (IALM)                   | 2012-14             | 2012-14 |
| Discount rate (per annum)                | 6.60%               | 7.60%   |
| Rate of escalation in salary (per annum) | 7.00%               | 7.00%   |

The discount rate is based on the prevailing market yields of Government of India Bonds as at the Balance Sheet date for the estimated term of the obligations.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

**38 As per Ind AS 24, the disclosures of transactions with the related parties are given below:**

(i) List of related parties:

**a Key Management Personnel**

Bhavik R Bhimjyani  
Rajesh Kumar Pillai - Company Secretary (till 07.01.2020)  
Kirtikumar Somnath Pandya - Chief Financial Officer

**b Companies controlled by Key Management Personnel and their relatives**

Related parties with whom transaction taken place

Asian Warehousing Ltd Kutch  
Warehouse Pvt. Ltd.  
Neelkanth Realtors Pvt. Ltd.

(ii) Transactions during the year with related parties:

(Rs.in Lakhs)

| Name of transactions | Name of Related party | 2019-20 | 2018-19 |
|----------------------|-----------------------|---------|---------|
|----------------------|-----------------------|---------|---------|

**a Unsecured loans**

|                       |                    |       |       |
|-----------------------|--------------------|-------|-------|
| Taken during the Year | Bhavik R Bhimjyani | 46.05 | 25.48 |
|-----------------------|--------------------|-------|-------|

|                        |                    |       |      |
|------------------------|--------------------|-------|------|
| Repaid during the Year | Bhavik R Bhimjyani | 44.67 | 8.51 |
|------------------------|--------------------|-------|------|

(iii) Balances with related parties

(Rs. in Lakhs)

| Name of transactions                           | Name of Related party        | As at<br>31st March 2020 | As at<br>31st March 2019 |
|--|------------------------------|--------------------------|--------------------------|
| Unsecured Loans                                | Bhavik R Bhimjyani           | 18.36                    | 16.97                    |
| Investments                                    | Neelkanth Realtors Pvt. Ltd. | @                        | @                        |
| Advances against property                      | Neelkanth Realtors Pvt. Ltd. | 2,344.34                 | 2,344.34                 |
| 9% Cumulative Redeemable Preference Shares     | Neelkanth Realtors Pvt. Ltd. | 700.00                   | 700.00                   |
| 6% Non-Cumulative Redeemable Preference Shares | Kutch Warehouse Pvt. Ltd.    | 795.42                   | 795.42                   |

@ One share of Rs.100 each

(iv) Key Managerial Personnel Compensation

(Rs. in Lakhs)

| Name of transactions         | Name of Related party | As at<br>31st March 2020 | As at<br>31st March 2019 |
|------------------------------|-----------------------|--------------------------|--------------------------|
| Short term employee benefits | Rajesh Kumar Pillai   | 8.00                     | 12.00                    |
| Short term employee benefits | Kirtikumār Pandya     | 6.00                     | -                        |

## 39 DISCLOSURES UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

To the extent, the company has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under

(Rs. in Lakhs)

| Particulars  | For the year<br>31st March 2020 | For the year<br>31st March 2019 |
|--|---------------------------------|---------------------------------|
| (i) Principal amount remaining unpaid  | 0.71                            | 1.07                            |
| (ii) Interest due thereon remaining unpaid   | -                               | -                               |
| (iii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.                             | -                               | -                               |
| (iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. | -                               | -                               |
| (v) Interest accrued and remaining unpaid (net of tax deducted at source)  | -                               | -                               |
| (vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.   | -                               | -                               |

### Note 40 Fair Value

#### 40.1 Financial Instrument by category

Below is a comparison by class of the carrying amount and fair value of the company's financial assets and liabilities that are recognised in the financial statements.

##### a Financial Assets measured at Amortised Cost

(Rs. in Lakhs)

| Particulars                  | As at 31st March, 2020 |                 | As at 31st March, 2019 |                 |
|------------------------------|------------------------|-----------------|------------------------|-----------------|
|                              | Carrying value         | Fair value      | Carrying value         | Fair value      |
| <b>Financial Assets</b>      |                        |                 |                        |                 |
| Trade Receivables            | 13.19                  | 13.19           | 7.85                   | 7.85            |
| Cash & cash equivalent       | 0.38                   | 0.38            | 0.45                   | 0.45            |
| Investment                   | 0.41                   | 0.41            | 0.41                   | 0.41            |
| Others                       | 2.15                   | 2.15            | 2.15                   | 2.15            |
| <b>Total</b>                 | <b>16.13</b>           | <b>16.13</b>    | <b>10.86</b>           | <b>10.86</b>    |
| <b>Financial liabilities</b> |                        |                 |                        |                 |
| Borrowings                   | 1567.00                | 1567.00         | 1,512.39               | 1,512.39        |
| Trade Payables               | 18.70                  | 18.70           | 21.11                  | 21.11           |
| Others                       | -                      | -               | 16.50                  | 16.50           |
| <b>Total</b>                 | <b>1,585.70</b>        | <b>1,585.70</b> | <b>1,550.00</b>        | <b>1,550.00</b> |

#### 40.2 Fair Valuation Techniques used to determine fair value

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- i Fair value of trade receivable, cash and cash equivalents, other bank balances, trade payables, loans, borrowings, deposits and other financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- ii The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

#### 40.3 Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

- i **Level 1:-** Quoted Prices/published NAV (unadjusted) in active markets for identical assets or liabilities.
- ii **Level 2:-** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- iii **LEVEL 3:-** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### 41 Financial Risk Management

The Company's activities are exposed to credit risk and liquidity risk

##### (a) Credit risk

Credit risk arises from cash and cash equivalent and other financial assets carried at amortised cost.

##### (b) Liquidity Risk

The Company is not exposed to any significant liquidity risk.

#### 42 Capital Management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of working capital

The Company working monitors capital on the basis of the amount of working capital

The Company's objective for capital management is to maintain an optimum overall, working capital.

#### 43 REVENUE RECOGNITION

The Company disaggregates revenue from contracts with customers by type of products and services, geography and timing of revenue recognition.

Revenue disaggregation by type of goods and services is given note no.23.

Revenue disaggregation by geography is as follows:

(Rs.in Lakhs)

| Geography     | For the year ended<br>31st March 2020 | For the year ended<br>31st March 2019 |
|---------------|---------------------------------------|---------------------------------------|
| In India      | 270.38                                | 268.70                                |
| Outside India | -                                     | 195.07                                |

Geographical revenue is allocated based on the location of the customers.

Revenue disaggregation by timing of revenue recognition is as follow s:

(` in Lakhs)

| Timing of Revenue Recognition        | For the year ended<br>31st March 2020 | For the year ended<br>31st March 2019 |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Goods transferred at a point in time | 270.38                                | 463.77                                |
| Service transferred over time        | -                                     | -                                     |

- 44 During the year company, Land admeasuring 2 kanal 12 marle situated at Narela Road, Village Kundli, Dist. Sonapat, Haryana classified as assets held for the sale based on the management decision to sell.
- 45 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slow down of economic activity. The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial statements.
- 46 The figures for the previous year have been re-grouped/re-arranged, wherever necessary, to correspond with the current year classification/disclosure.

As per our report of even date  
**For Pathak H.D. & AssociatesLLP**  
**Chartered Accountants**  
 Firm Registration No. 107783W/W100593

For and on behalf of the Board of Directors

**Bhavik Rashmi Bhim jyani**  
 Chairman & Managing Director  
 DIN: 00160121

**Asha Yogesh Daw da**  
 Director  
 DIN: 06897196

Gopal Chaturvedi  
 Partner  
 Membership No 090903

Kirtikumar Pandya  
 CFO

Place : Mumbai  
 Date: 30.06.2020

Place : Mumbai  
 Date: 30.06.2020

## ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint Shareholders desiring to attend the Meeting may obtain additional Attendance Slips on request. Such request should reach the Company or its Registrar & Transfer Agents, Link Intime (India) Private Ltd. at C 101, 247 Park L.B.S. Marg, Vikhroli (West), Mumbai – 400083 on or before 23<sup>rd</sup> December, 2020.

|   |  |
|---|--|
| Registered Folio / DP ID & Client ID  |  |
| Name and address of the Shareholder<br>Joint Holder No. 1<br>Joint Holder No. 2 |  |

I hereby record my presence at the 40<sup>th</sup> Annual General Meeting of the Company being held at Basement (No.2), Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400 021 on Wednesday, 23<sup>rd</sup> December, 2020 at 10.00 a.m.

Name(s) of the Shareholder(s)/Proxy (IN BLOCK LETTERS)

\_\_\_\_\_

\_\_\_\_\_

Signature(s) of Shareholder(s) or Proxy

**Note: You are requested to bring your copy of the Annual Report to the Meeting**

\_\_\_\_\_ cut \_\_\_\_\_ cut \_\_\_\_\_



(To be retained throughout the Meeting)

**E-VOTING SLIP**

**R T EXPORTS LIMITED**

CIN: L51900MH1980PLC022582

**Registered Office:** 508, Dalamal House, J.B Road, Nariman Point, Mumbai-21

Website: [www.rtexports.com](http://www.rtexports.com), Email: [headoffice@rtexports.com](mailto:headoffice@rtexports.com), Tel No.: 02240813000,

FaxNo.02266307000

**ELECTRONIC VOTING PARTICULARS**

| <b>EVEN<br/>(E-Voting Event Number)</b> | <b>User ID</b> | <b>Password</b> |
|---|----------------|-----------------|
|   |                |                 |

Note: Please read the instructions given in the Notes to the Notice of Fortieth Annual General Meeting dated 23<sup>rd</sup> December, 2020 before voting electronically. The E-Voting period starts on Sunday, 20<sup>th</sup> December, 2020 at 9:00 A.M. and ends on Tuesday, 22<sup>nd</sup> December, 2020 at 5:00 P.M. The e-voting module shall be disabled by NSDL for voting thereafter.

**Form No. MGT-11  
PROXY FORM**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

|                                |
|--------------------------------|
| <b>Name of the member(s) :</b> |
| <b>Registered address:</b>     |
| <b>E-mail Id:</b>              |
| <b>Folio No./Client Id:</b>    |
| <b>DP ID:</b>                  |

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_ Signature \_\_\_\_\_ or failing which
2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_ Signature \_\_\_\_\_ or failing which
3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_ Signature \_\_\_\_\_ or failing which

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 40<sup>th</sup> Annual General Meeting of the Company, to be held on the 23<sup>rd</sup> December, 2020 at 10.00 a.m. at Basement (No.2), Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No.           | Description   | Vote |          |          |
|--------------------------|---|------|----------|----------|
|                          |   | For* | Against* | Abstain* |
| <b>Ordinary Business</b> |   |      |          |          |
| 1.                       | To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon. |      |          |          |

|                         |  |  |  |  |
|-------------------------|--|--|--|--|
| 2.                      | To appoint a Director in place of Mr. Bhavik Rashmi Bhimjyani (DIN: 00160121), who retires of rotation and being eligible, offers himself for reappointment. |  |  |  |
| <b>Special Business</b> |  |  |  |  |
| 3.                      | Re-appointment of Mr. Yogesh Jaintilal Thakkar (DIN: 07275147) as an Independent Director of the   |  |  |  |
| 4.                      | To approve Material Related Party Transaction(s) with Related Party  |  |  |  |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2020.

Affix  
Revenue  
Stamp

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other Member.
3. A Proxy need not be a member of the Company.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he / she so wishes.
5. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
6. The holders of the Proxy shall be entitled to vote either for or against the above mentioned resolutions
7. \*It is optional to put (√) in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' or 'Abstain' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

**FORM NO. MGT-12**

**BALLOT PAPER**

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]*

|                  |  |  |
|------------------|--|--|
| Class of Meeting | Equity Shareholders  |  |
| Date of Meeting  | 23 <sup>rd</sup> December, 2020  |  |
| Time of Meeting  | 10.00 a.m.   |  |
| Venue of Meeting | Basement (No.2), Dalamal House, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400021        |  |
| 1.               | Name of Equity Shareholder   |  |
| 2.               | Postal address   |  |
| 3.               | Client ID/DP ID/ Folio No.   |  |
| 4.               | No. of Shares held   |  |
| 5.               | Value of Shareholder   |  |
| 6.               | In Person/ Proxy / Authorized Representative<br>(Name of Proxy/ Authorized Representative) |  |

I/We hereby record my/our presence and exercise my/our vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

| Resolution No.    | Description  | Vote |         |         |
|-------------------|--|------|---------|---------|
|                   |  | For  | Against | Abstain |
| Ordinary Business |  |      |         |         |
| 1.                | To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors. and Auditors thereon. |      |         |         |
| 2.                | To appoint a Director in place of Mr. Bhavik Rashmi Bhimjyani (DIN: 00160121), who retires of rotation and being eligible, offers himself for reappointment.   |      |         |         |

| Special Business |   |  |  |  |
|------------------|---|--|--|--|
| 3.               | Re-appointment of Mr. Yogesh Jaintilal Thakkar (DIN: 07275147) as an Independent Director of the Company to hold office upto 30 <sup>th</sup> Sepember 2025 |  |  |  |
| 4.               | To approve Material Related Party Transaction(s) with Mr. Bhavik Bhimjyani, Related Party.  |  |  |  |

Note: If voting "FOR" the resolutions please (√) in box "FOR" and if Voting "AGAINST" please (√) in box "AGAINST"

Place: \_\_\_\_\_  
 Date: \_\_\_\_\_ Signature of the Equity Shareholder / Proxy / Authorised Representative