



***RAJKUMAR FORGE LIMITED***



**25<sup>TH</sup> ANNUAL REPORT**

<b>BOARD OF DIRECTORS</b>	: S. PADMANABHAN PRADEEP BHARGAVA SWASTIK SIRSIKAR SHANTANU.R.KOTHAVALA RATNAPRABHA R KOTHAVALA R.S.KOTHAVALA	Chairman     Managing Director
<b>COMPANY SECRETARY</b>	: VIJAY.V. KULKARNI	
<b>AUDITORS</b>	: M/S HARIBHAKTI & COMPANY- LLP CHARTERED ACCOUNTANT PUNE	
<b>BANKERS</b>	: BANK OF BARODA	
<b>REGISTRAR AND TRANSFER AGENTS</b>	: LINK INTIME INDIA PRIVATE LIMITED BLOCK NO 202, 2 <sup>ND</sup> FLOOR AKSHAY COMPLEX ,NEAR GANESH TEMPLE, DHOLE PATIL ROAD,PUNE – 411 001 PHONE NO : (020) 26160084, 26161629 TELE FAX : ( 020) –26163503 E-MAIL : pune@linkintime.co.in WEBSITE : www.linkintime.com	
<b>REGISTERED OFFICE</b>	: 18,SHIVAJI CO-OP HOUSING SOCIETY OFF SENAPATI BAPAT ROAD, PUNE 411 016 PHONE (020) 25639050 / 51 / 52 FAX : (020) 25639049 E-MAIL:-secretarial @rkforge.in, invest@rkforge.in WEBSITE : <a href="http://www.rkforging.com">www.rkforging.com</a>	
<b>FACTORY</b>	: GAT NO 357,KHARABWADI CHAKAN- TALEGAON ROAD CHAKAN- 410501, TALUKA- KHED DISTRICT-PUNE	

Members who wish to obtain all the Notices, Annual Reports and other communications from the company on e-mail, are requested to up-date their e-mail id in their depository account . Shareholders holding shares in physical form and wish to avail information on e-mail can send their request to Link Intime India Private Limited, Registrars of the Company with folio no and details of their e-mail id.

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## NOTICE

Notice is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of Rajkumar Forge Limited will be held on Monday the 10<sup>th</sup> day of August, 2015 at 10.30 A.M. (IST) at Poona Club, 6, Bund Garden Road, Pune-411001 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2015 and Profit and Loss Account for the year ended as on that date together with Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Shantanu.R.Kothavale (DIN No.: 01386351) who retires by rotation and being eligible, seeks re-appointment.

3. To consider and, if thought fit, to pass with or without modification following resolution as an **ORDINARY RESOLUTION:-**

“RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013 and the rules made there under and pursuant to the recommendations of the Audit Committee and the Board appointment of M/s Haribhakti & Company LLP, Chartered Accountants, having Firm Registration No 103523W issued by The Institute of Chartered Accounts of India, be and is hereby ratified as Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of the third consecutive Annual General Meeting (subject to ratification of the appointment by members at every Annual General Meeting) and the Board of Directors be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with auditors, in addition to reimbursement of all out of pocket expenses and applicable taxes, in connection with the audit of the accounts of the company.”

### SPECIAL BUSINESS

4. Appointment of Mrs. Ratnaprabha.R.Kothavale (DIN No.: 03630611) as Women Director of the Company.

To consider and if thought fit, to pass with or without modification following resolution as an **ORDINARY RESOLUTION.**

“RESOLVED THAT pursuant to provisions of 152 and other applicable provisions of the Companies Act, 2013 and rules made there under Mrs. Ratnaprabha.R.Kothavale who was appointed as Additional Director of the Company by the Board of Directors with effect from 14<sup>th</sup> February, 2015 and who holds office up to the date of this Annual General Meeting and in respect of whom company has received a notice in writing from member proposing her candidature for the office of Director of the Company, be and is appointed as Non-executive Director, whose period of office shall be liable to determination by retirement of director by rotation.”

5. **SPECIAL RESOLUTION - BORROWING POWERS OF THE COMPANY AND CREATION OF CHARGE / PROVIDING OF SECURITY.**

The Shareholders of the Company had passed an Ordinary Resolution pursuant to Section 293(1)(d) and any other applicable provisions of the Companies Act, 1956 read with Article 70 of the Articles of the Association of the Company

authorising the Board of Directors of the Company to borrow such amount of monies for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding shall not exceed 20 Crores (Rupees Twenty Crores Only) in excess of the aggregate of its the paid up share capital of the Company and free reserve i.e. reserves not set apart for any specific purpose, as per the latest annual audited financial statement.

In terms of Section 180(1)(c) of the Companies Act, 2013, which has replaced Section 293 of the Companies Act, 1956, the Board of Directors of a Company, shall exercise the power to borrow money, where money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business only with the consent of the Company by passing a Special Resolution.

It shall be necessary to create charge/provide security on the assets of the company for the purpose of borrowing funds. Creation of charge/providing of security on the assets of the Company for the purpose of borrowing may be deemed as disposal of the whole or substantially whole of one or more of the Company's undertaking. In terms of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors can exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertaking, only with the consent of the Company, by passing a special resolution. It also attracts the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014, with respect to matters requiring approval by Postal Ballot

Keeping in view the above provisions, the Company proposes to obtain shareholders' consent to the proposed Special Resolution by means of Postal Ballot. The Proposed Special Resolutions and the Explanatory Statements thereto are given below.

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

“RESOLVED THAT in supersession of the Ordinary Resolution passed by the shareholders on 28<sup>th</sup> July, 2007 the consent of the Company be and is hereby accorded to the Board of Directors of the Company( herein after referred to as the Board and which term shall be deemed to include duly authorized committee(s) , for the time being exercising powers conferred by the Board by this resolution) under Section 180(1)(c) and all other applicable provisions if any, of the Companies Act, 2013 read with Article 70 of the Articles of Association of the Company and Companies ( Management and Administration Rules) 2014, to borrow money for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company, but so that the moneys to be

borrowed together with the moneys already borrowed by the Company shall not exceed 60 Crores (Rupees Sixty Crores Only) in excess of the aggregate of its paid share capital and free reserves of the Company at any one time as per the latest annual audited financial statements (apart from temporary loans obtained from the Company's bankers in the ordinary course of business which means loans repayable on demand with in 6 (six) months from date of the loan such as short term, cash credit arrangement ,discounting of bills and other short term loans of seasonal character ,but dose not include loans raised for the purpose of financial expenditure of capital nature).

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such actions and steps ,including delegation of authority, as may be necessary, and to settle all matters arising out of and incidental thereto , and to sign and execute deeds ,applications documents and writings that may be required on behalf of the Company and generally do all such acts and things as may be necessary, proper, expenditure or incidental for giving effect to this resolution. “

**6. SPECIAL RESOLUTION - Authority to Board of Directors for creation of charge/mortgages in respect of borrowings**

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

**“RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded, in terms of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 ( including any amendment thereto or enactment re-enactment thereof) to the Board of Directors of the Company to create charge ( floating or fixed) / provide security for the sum borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as the Board in its absolute discretion thinks fit, on the assets of the Company, as may be agreed to between the Company and the Lenders so as to secure the borrowings by the Company, together with interest costs, charges, expenses and all other monies payable by the Company to the concerned Lenders / Institutions, under the respective arrangements entered into / to be entered by the Company and/or Board up to maximum ceiling of Rs. 60 Crores ( Rupees Sixty Crores) over and above the paid up capital and free reserves of the Company at any one time.

**RESOLVED FURTHER THAT** the Securities to be created by the Company for its borrowing as aforesaid may rank with the security already created in the form of mortgage and / or charges already created or to be created in future by the Company as may be agreed to between the Board and concerned parties.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board or any committee or person(s) authorised by the Board, be and is / are hereby authorised to take such actions and steps including delegation of authority , as may be necessary and to settle all matters arising out of and incidental there to and to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary,

proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in regard to creating security(ies) as aforesaid or other considered to be in the best interest of the Company and generally to do all such acts, deeds ,matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution”

**BY ORDER OF BOARD OF DIRECTORS  
FOR RAJKUMAR FORGE LIMITED**

**Place: Pune  
Date: 9th May, 2015**

**R.S.KOTHAVALA  
MANAGING DIRECTOR**

**NOTES:**

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED,COMPLETED,SIGNED AND MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.**
- 2) No person shall be entitled to attend or vote at the meeting as a duly authorized representative of any body corporate which is shareholder of the Company, unless a copy of the resolution appointing him/her as a duly authorized representative, certified to be true copy by a Chairman of the meeting at which it was passed, shall have been deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 3) A brief profile of Directors retiring by rotation and being eligible for re-appointment are included in the Corporate Governance Report, which forms part of Directors' Report and shareholders are requested to refer to the same. The Board of Directors of the Company recommends their respective appointments.
- 4) The Board of Directors of the Company has on the recommendation received from the Audit Committee of the Company, recommended ratification of appointment of Haribhakti and Company LLP having Firm Registration No 103523W as Statutory Auditors of the Company till 2019-2020 subject to ratification of appointment by members in the next Annual General Meeting of the Company .
- 5) Members who hold shares in dematerialized form are requested to bring their CLIENT ID and DP ID numbers for easy identification of attendance at the meeting.
- 6) Members holding equity shares in dematerialized form are requested to intimate change in their address , bank details etc. to their respective DPS. Those members holding shares in physical form are requested to inform Link Intime India Private Limited , Registrar and Transfer agent of the Company having its office at “ Block No ,202 Second Floor, Akshay Compalex , Dhole Patil Road ,Pune-411001 immediately of any change in their address.

- 7) The Register of Members and Share Transfer Books of the Company will remain close from **Tuesday, 4<sup>th</sup> August, 2015 to Monday, 10<sup>th</sup> day of August, 2015 ( both days inclusive).**
  - 8) Members may avail of the facility of dematerialization of equity shares by opening demat accounts with Depository Participants of either National Securities Depository Limited (NSDL ) or Central Depository Services ( India) Limited ( CDSL) and get the equity share certificates dematerialized. **The ISIN No of the Company is INE-013J01016.**
  - 9) Those members who have not encashed /received the dividend warrants for the previous years may approach the Secretarial Department at the Registered Office of the Company for claiming un-paid / un-claimed dividend.
  - 10) Dividend which remain unclaimed / un-encashed for a period of 7 years will be transferred by the Company to Investor Education and Protection Fund ( IEPF) constituted by the Central Government, under Section 124 of The Companies Act,2013
  - 11) Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to Company at its' Registered Office at least 7 days before the date of the meeting, so that the required information to the extent possible can be made available at the meeting.
  - 12) Members are requested to bring their copies of Annual Report to the Meeting. In case of joint holders attending the meeting, only such joint holders who is higher in order of names will be entitled to vote. Members /proxies attending the meeting should bring the Attendance Slip, duly filled in for handing over at the venue of the meeting.
  - 13) Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company.
  - 14) Members are requested to intimate to Link Intime India Private Limited, Registrar and Transfer Agents of the Company their e-mail address for sending notice /documents through e-mail as per directives issued by Government of India, Ministry of Corporate Affairs , vide Circular No 17/2011 dated 21.04.2011.
  - 15) As per Circular No MRD/DOP/CIR-05/2009 MAY 20,2009 issued by Securities and Exchange Board of India ( SEBI) it is mandatory to quote Permanent Account Number ( PAN) for participating in securities market.
  - 16) 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 a proxy and such person shall not act as proxy for any other person or member.
  - 17) In terms of Section 101 and 136 of the Companies Act,2013 read with rules made there under , a listed company may send the notice of Annual General Meeting and Annual Report ,including financial statement, Board Report etc by electronic mode.
  - 18) Pursuant to Section 72 of the Companies Act,2013 shareholder holding shares in physical form may file nomination form in Form SH-13 with Registrar and Transfer Agent of the Company, Link Intime India Private Limited.
  - 19) The result of voting with the Scrutinizer's Report shall be placed on Company's website <http://www.rkforging.com>. and on the website of CDSL with in 2 (two) days of passing of resolutions at Annual General Meeting of the Company and shall be communicated to The Bombay Stock Exchange Ltd.
- BY ORDER OF BOARD OF DIRECTORS  
FOR RAJKUMAR FORGE LIMITED**
- Place: Pune**  
**Date: 9th May, 2015**
- R.S.KOTHAVALA  
MANAGING DIRECTOR**

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**

The following Statement sets out all material facts relating to the business mentioned in the accompanying Notice

**Item No 2 & 4 :**

Brief resume of each of the Director including their experience in functional areas and names of companies they hold directorship and membership ,chairmanship of Board and Committees , shareholding and relationship between directors inter-se as stipulated under clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange are provided in the Corporate Governance Report forming part of Annual Report.

Copy of draft letter of appointment of each of the above directors setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This statement may also be regarded as disclosure under Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Limited.

Mr.Shantanu.R.Kothavale and Mrs.Ratnaprabha. R.Kothavale are interested in the resolution set out respectively at item no 2 and item no 4. The relatives of Mr.Shantanu R Kothavale, Mrs. Ratnaprabha. R.Kothavale are interested in the resolution set out respectively at item no 2 and item no 4 to the extent of shareholding interest ,if any, in the company.

Save except as above, none of the Directors and their relatives is in any way interested financially or otherwise in these resolutions.

The Board commends the Ordinary Resolution set out at item no 2 to 4 of the Notice for approval by shareholders.

**Item No 5 &6**

In terms of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company, shall exercise the power to borrow money, where money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business only the consent of the Company by passing a Special Resolution.

The Shareholders of the Company had passed an Ordinary Resolution dated 28<sup>th</sup> July, 2007 pursuant to Section 293(1)(d) and any other applicable provisions of the Companies Act, 1956 read with Article 70 of the Articles of the Association of the Company authorising the Board of Directors of the Company to borrow monies for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding shall not exceed 20 Crores (Rupees Twenty Crores Only) in excess of the aggregate of the paid up capital of the Company and its free reserve i.e. reserves not set apart for any specific purpose, as per the latest annual audited financial statement.

The Ministry of Corporate Affairs (MCA), New Delhi vide their Notification No. 2754 dated September 12, 2013 had notified inter-alia the applicability of provisions of Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013 with effect from September 12, 2013, which stipulates obtaining prior approval of the Shareholders of the Company by way of Special Resolution for exercising the specified powers of the Board of Directors relating to borrowing and selling/disposing off etc. of an undertaking of the Company respectively. Further MCA also vide its circular No. 04/2014 dated 25.03.2014 have clarified that the resolution passed under Section 293 of the Companies Act, 1956 prior to 12.09.2013 with reference to borrowings and / or creation of security on the assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 (Restriction on the Powers of the Board) of the Companies Act, 2013 for a period of one year from the date of notification indicating the applicability of Section 180 of the Act, 2013. Therefore Corporation is now required to obtain consent of the Company by a Special Resolution.

The relevant resolutions proposed for the Member's approval are specified at item No. 5 and 6 The Board of Directors recommend the Special Resolution as set out in item No. 5 and 6 of the Notice for the approval of the Shareholders.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or otherwise interested in this resolution

The documents and / or letters referred to in the above resolution/s and are open for inspection by the Members at the Secretarial Department of the Company, on all working days between 10.30 A.M and 12.30 P.M. up to the date of Annual General Meeting except Saturday, Sunday and Public Holidays, till conclusion of the ensuing Annual General Meeting.

**BY ORDER OF BOARD OF DIRECTORS  
FOR RAJKUMAR FORGE LIMITED**

**Place: Pune  
Date: 9th May, 2015**

**R.S.KOTHAVALA  
MANAGING DIRECTOR**



**THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**

Pursuant to provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 (the Rules) and Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the notice convening the 25<sup>th</sup> Annual General Meeting to be held on Monday, 10<sup>th</sup> day of August, 2015 at 10.30 A.M. at Poona Club, 6, Bund Garden Road, Pune-411001. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide e-voting facility.

These details and instructions form an integral part of Notice for the Annual General Meeting to be convened on 10<sup>th</sup> day of August, 2015.

- (i) The voting period begins on 7<sup>th</sup> August at 9 a.m. and ends on 9<sup>th</sup> August 2015 at 5 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 3<sup>rd</sup> August 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- (ii) Click on Shareholders.

- (iii) Now Enter your User ID

- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (iv) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (as printed on ballot paper / attendance slip / notice) in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- If Demat account holder has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**BY ORDER OF BOARD OF DIRECTORS  
FOR RAJKUMAR FORGE LIMITED**

**Place: Pune  
Date: 9th May, 2015**

**R.S.KOTHAVALA  
MANAGING DIRECTOR**

## MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS

Manufacturing Industry is vital for development of Indian economy. The year 2014-2015 has shown moderate economic growth. In the year 2014-2015 GDP growth was at 4.6% as compared to 2013-2014 which was at 4.3%. Forging Industry serves needs of automobile and heavy engineering industry. Products of the Company are related to Heavy Engineering and Machine Building Industry which is a core sector.

### OPERATIONS & FINANCIAL PERFORMANCE :

Sales and profit performance for the year ended 31<sup>st</sup> March, 2015 is lower . Following is the summary of performance.

Year	2014-2015 (₹ in Lacs)	2013-2014 (₹ in Lacs)
Sales	2811.33	3223.84
Cost of operation	2433.75	2985.95
Interest & Depreciation	121.60	181.82
Profit before Tax	255.98	56.07
Provision for Taxation	149.91	30.76
Net Profit after Tax	106.07	25.31

Export performance of the Company for the last three years is tabled below:

Year	Export Value (₹)	Total Sales Value (₹)	% Export	% Export Growth/ (decline)
2012-2013	360,518,205	408,370,315	88.28	( 3.77)
2013-2014	302,029,357	322,384,062	93.69	5.41
2014-2015	22,37,53,414	281,133,503	79.59	(14.1)

### GENERAL :

The Registered Office of the Company is situated at "Shivprasad" 18, Shivaji Co-operative Housing Society, Pune- 411016.

The Company is governed by ISO 14001:2004 for environmental management system and OHSAS 18001:2007 for Occupational Health and Safety Management System and also by ISO 9001:2008. The Company has received certificate of recognition as Star Export House from Ministry of Commerce & Industry Office Of The Joint Director General of Foreign Trade.

The Forgings of the Company such as shaft, square, rectangular, blanks, rings, hollow etc are supplied to industries in Oil Field Industries, Sugar, Steel, Cement, Gear, Thermal sectors. The company specializes in producing casing heads, cross forgings, tubing spools, forgings ,body block forgings for SSB and SSBT Valves, Slip lock housing etc for Oil and Gas Industries.

### INTERNAL CONTROL SYSTEM & ITS' ADEQUACY :

Company has reasonable Internal Control System to safeguard assets of the Company and detects, frauds or irregularities, if any. The internal control system are designed to ensure reliability of financial records and other records for preparing financial statements.

### CONCERN & THREATS:

The economies of the western countries are showing signs of slow recovery .The Companies export account for about 80.00.% of the total business. International buyers are placing orders to the Company. The Company is expecting increase in turnover in the next financial years.

However, uncertain market conditions and competition of Chines manufacturers at low prices are causes of concern. Impact of the Foreign Exchange Rate fluctuation is enormous on the working of the Company. It is presently slightly favorable to the Company and helping it in international competition to some extent. The Company has taken forward exchange cover from Bank of Baroda, Pune Camp Branch to reduce the impact of foreign exchange rate difference.

### OUTLOOK:

Market out-look for next two to three years looks promising. However, un-certainties and adverse movements in the exchange rate fluctuations may affect performance of the Company.

### CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may be " forward looking statements " within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied. Things that could affect Company's operation include slow down in the global economy, changes in political and economic development both in India and world wide, changes in tax laws, interest cost .

### HUMAN RESOURCES:

The Company has a strength of 80 employees as on 31<sup>st</sup> March, 2015. The Company continues to maintains cordial relations with its' employees. The key focus of the Company is all around development of the employees. The Board places on record its appreciation for the sustained efforts and contributions made by the staff at all levels during the year under review.

### APPRECIATION

Your Directors wish to place on record their grateful thanks to Bank of Baroda for their continued support and confidence reposed in by the shareholders of the Company.

### TO THE BOARD OF DIRECTORS OF RAJKUMAR FORGE LIMITED CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

I, the undersigned , in my capacity of Managing Director of Rajkumar Forge Limited, ( " the Company" ) , to the best of my knowledge and belief certify that :

- (a) I have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2015 and to the best of our knowledge and belief :
  - (i) these statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief no transactions entered in to by the Company during the year ended 31<sup>st</sup> March, 2015 , which are fraudulent , illegal or violative of the Company's Code Of Conduct.
- (c) I accept the responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and Audit Committee , deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps that have been taken or proposed to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee :
  - (I) Significant changes in internal control over financial reporting during the year.
  - (II) Significant change in accounting policies during the year and that the same have been disclosed in the notes to financial statement; and
  - (III) Instances of significant fraud of which I am aware and the involvement there in ,if any , of the management or an employee having a significant role in the companies internal control system over financial reporting.

Place: Pune  
Date: 9th May, 2015

**R.S.KOTHAVALA**  
**MANAGING DIRECTOR**



**REPORT ON CORPORATE GOVERNANCE**
**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Rajkumar Forge Limited's philosophy on Corporate Governance aims at establishing and maintaining a mechanism by which the most effective and efficient values, principles, management policies and procedures are adopted with highest level of transparency and accountability throughout the organization. It is not only for facing intense competition for sustainable growth in the global business scenario but is also an embodiment of the parameters of fairness, accountability and transparency to maximize value for the stakeholders. The Company believes in maintaining highest standard of quality and ethical conduct, in all the activities of the Company.

This chapter of the report plus the information given under the Management Discussion and analysis and Shareholder Information constitutes the report on Corporate Governance for the Year 2014-2015.

**2. Board Level Issues**
**• Composition of Board**

The Board of Directors consists of six Directors as on 31<sup>st</sup> March 2015, comprising of Chairman who is a non-executive Director, Managing Director who is an executive director. The other three (3) Directors are non-executive, and all of them are independent. Mrs. Ratnaprabha .R.Kothavale is appointed as women Director and Additional Director on the Board of Directors of the Company effective from 14<sup>th</sup> February, 2015, Details are given in Table 1.

**• During the year the Board Meetings were held on :-**

Sr.No	Date of Board Meeting
1	30 <sup>th</sup> May, 2014
2	11 <sup>th</sup> August, 2014
3	13 <sup>th</sup> November, 2014
4	14 <sup>th</sup> February, 2015

**Directors attendance Record**

Table 1 gives the composition of the Board, the category of Directors and their attendance record.

**Table 1**

Name of Director	Category	No. of Board Meetings held	No of Board Meeting attended
R.S.Kothavale Managing Director	Promoter Executive	4	4
S.Padmanabhan Chairman	Non-Executive Independent*	4	4
S.R.Kothavale	Non-Executive	4	2
Pradeep Bhargava	Non-Executive Independent*	4	4
Swastik Sirsakar	Non-Executive, Independent *	4	4
Ratnaprabha Kothavale**	Promoter Non-Executive	4	Nil

\* Independent Director means a director who apart from receiving director remuneration does not have any pecuniary relationship or transactions with the Company, its promoters, its management

or its subsidiaries, which in the judgment of the board may affect independence of judgment of directors.

\*\*Mrs. Ratnaprabha.R.Kothavale has been appointed as Additional Director and Women Director from 14<sup>th</sup> February 2015.

**Table 1A shows attendance of Directors at last Annual General Meeting.**

Name of Director	No of General Meetings held	No of General Meeting attended
R.S.Kothavale Managing Director	1	1
S.Padmanabhan Chairman	1	1
Pradeep Bhargava	1	1
S.R.Kothavale	1	0
Swastik Sirsakar	1	1
Ratnaprabha Kothavale**	1	Nil

**OUTSIDE DIRECTORSHIP**

Name of Director	Directorship in Public Limited Companies	Directorship in Private Limited Companies
R.S.Kothavale Managing Director	0	01
S.Padmanabhan Chairman	06	01
Pradeep Bhargava	05	03
S.R.Kothavale	0	0
Swastik Sirsakar	02	01
Ratnaprabha Kothavale**	Nil	Nil

None of the Directors is a member of more than 7 Board level committees of Public Companies in which they are Directors.

Other directorship do not include alternate directorship, of private limited companies, companies not for profit and companies incorporated outside India. In accordance with clause 49 of the listing agreement Membership/Chairmanship of only the Audit Committee and Stake Holders Committee in all Public Limited Companies (excluding Rajkumar Forge Limited) have been considered.

**INFORMATION PLACED BEFORE THE BOARD**

The Board of Rajkumar Forge Limited is presented with all relevant information on various vital matters affecting the working of the Company in addition to the matters set out in Annexure IA of Clause 49 of the Listing Agreement. Also extensive information is provided on various critical matters such as production, sales, export, financial performance, foreign exchange exposure, staff matters, legal proceedings, share transfer compliance, quarterly financial results, significant labour and human relation matters, and other such matters with detailed notes along with agenda papers.

As mandated by Clause 49, the independent Directors on Rajkumar Forge Limited:

1. Apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the company, its promoters, its directors, its senior management which may affect independence of Director.
2. Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.

3. Have not been executive of the Company in the immediately preceding three financial years.
4. Are not partners or executives or were not partners or executives during the preceding three financial years :
  - a) Statutory audit firm or the internal audit firm that is associated with the Company.
  - b) Legal firm and consulting firm that have a material association with the Company.
5. Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the directors.
6. Are not substantial shareholders of the Company i.e do not own two percent or more of block of voting power.
7. Is not less than 21 years of age

#### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

As stipulated by the Code Of Independent Directors under Companies Act,2013 and Listing Agreement a separate meeting of the Independent Directors of the Company was held on 14<sup>th</sup> February, 2015 to review performance of the non-independent directors and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between management and the Board and its committees which is necessary for the management to effectively and reasonably perform and discharge their duties. The independent directors were made familiar with the areas of operation, process flow, organisation structure and strengths of the Company. The Company is arranging visit of independent directors to manufacturing facilities of the Company and getting them accounted with production process.

#### **NOMINATION AND REMUNERATION COMMITTEE**

Composition and Attendance at the Meeting

The Nomination and Remuneration Committee comprises of the members as stated below .The Committee during the year ended 31<sup>st</sup> March,2015 had one meeting. The attendance of members was as under :-

<b>Name of Director</b>	<b>Category</b>	<b>No of Audit Meetings held</b>	<b>No of Meetings Attended</b>
Shantanu Kothavale	Promoter Non-Executive	1	1
Pradeep Bhargava	Non-Executive Independent	1	1
Swastik Sirsikar	Non-Executive Independent	1	1

Terms of reference of the Nomination and Remuneration Committee  
The Committee is empowered to:-

1. Formulate criteria for determining qualifications, positive attributes and independence of directors and evaluating the performance of Board of Directors.
2. Identifying and assessing potential individuals with respect to their expertise ,skills, attributes ,personal and professional standing for appointment and re-appointment as Directors/ Independent Directors on the Board as Key Managerial Personnel.
3. Support Board in evaluation of performance of all the Directors and in annual self assessment of Boards' overall performance.
4. Conduct Annual Performance Review of Managing Director and Senior Management Employees.

5. Formulate a Policy relating to remuneration of Directors, Committee and Senior Management Employees.

#### **Remuneration Policy**

The Company follows a policy on remuneration of Directors and Senior Management Employees.

#### **Remuneration of Non-executive Directors**

The non-executive directors are entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in Board / Committee Meetings as detailed hereunder :

- i. A non-executive director shall be entitled to receive sitting fees for attending each meeting of the Board or Committee thereof attended by him of such sum as may be approved by the Board of Directors with in the over all limit prescribed by Companies Act, 2013 and Companies Managerial Remuneration Rules, 2014.
- ii. A non-executive director will be entitled to receive commission on an annual basis of such sum as may be approved by the Board on the recommendations of Nomination and Remuneration Committee.
- iii. The Nomination and Remuneration Committee may recommend to Board the payment of commission on uniform basis to reinforce the principle of collective responsibility.
- iv. The Nomination and Remuneration committee may recommend higher commission for chairman of the Board considering his overall responsibility.
- v. In determining the quantum of commission payable to directors, the Nomination and Remuneration Committee will make its recommendations taking into consideration the overall performance of the Company and responsibilities shouldered by the director.
- vi. Nomination and Remuneration committee may recommend to Board additional commission to the directors who are members of the Audit Committee, subject to ceiling on total commission payable.
- vii. The total commission payable shall not exceed 1% of the net profits of the Company.
- viii. The commission shall be payable on prorata basis to those directors who occupy office for part of the year.
- ix. The Independent Directors shall not be entitled to participate in stock option scheme of the Company

#### **REMUNERATION OF MANAGING DIRECTOR**

- i. At the time of appointment or reappointment , the managing director shall be paid such remuneration as may be mutually agreed, within the overall limits prescribed under the Companies Act, 2013.
- ii. The remuneration shall be subject to approval of the Members in General Meeting.
- iii. The remuneration of Managing Director may be dividend in to fixed and variable component. The fixed component will include salary, allowances, perquisites and other amenities. The variable portion may include performance bonus.
- iv. In determining the remuneration the Nomination and Remuneration Committee may consider following:
  - a. The relationship of remuneration and performance benchmark is clear.
  - b. Balance between fixed and incentive pay reflecting long term and short term performance objectives of the Company and its goals.