

**CHAIRMAN SPEECH AT 19'TH ANNUAL GENERAL MEETING OF  
RAJKUMAR FORGE LIMITED ON 25'TH JULY,2009.**

**Dear Shareholders,**

**It gives me great pleasure in welcoming you all to the 19'th Annual General Meeting of the Company on behalf of the Board of Directors of Rajkumar Forge Limited and my self. Thank you for sparing your valuable time to make it convenient to attend.**

**You must have received the Annual Report containing Directors Report and Audited Accounts for the year ended 31'st March, 2009 that has been posted to all of you and with your permission I take it as read. I hope that you are happy with our Company's performance in the last financial year.**

**Rajkumar Forge Limited has achieved a 9.15% increase in net sales over the last year. The profit after tax is at Rs. 258.48 Lacs compared to Rs. 128.03 Lacs for the previous year. The earning per share for the year under report is Rs. 2.36 as against Rs. 1.17 in the previous year. The performance of the Company is quite encouraging.**

**Our unit is related to Heavy Engineering and machine building industry and our exports are mainly to oil and gas equipment manufacturing industry. Despite heavy recession in the economies of the world oil & gas equipment industry was not affected much till now.**

**Market preferences are getting focused towards quality products and demand is increasing for semi-finished machined forgings. A few manufacturers are planning to set-up open die forging units and this throws a challenge for us to be competitive in international market.**

**The Company has received certificate of recognition form Industry 2.0 magazine for its superior financial performance during 2007-08 and ranked 136 among SMES in Industry 2.0's Third Annual Report. The Company continues to be governed by occupational Health and Safety Standards " OHSAS 18001: 2007 ,Quality Management Standard ISO 9001: 2000 and Environmental Management System Standard ISO 14001 : 2004. The Company is also granted certificate of recognition as One Star Export House by Director General of Foreign Trade .**

**In order to achieve grater productivity and to increase scale of operations, our company has made definite plans for additional investment of Rs.4 Crores in sophisticated plant and machinery. As part of this plan new Heat Treatment Plant is being installed with crane and new building. This investment will be done through internal accruals. The Company is now totally debt free.**

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**As you are aware , the strength of Rajkumar Forge Limited lies in its rich experience in supplying high quality difficult heavy forgings. This offers huge potential and our company is now globally approved supplier.**

**You are aware that company is exporting about 88% of its sales. In international market , the effort put in last year to develop new customers are yielding good results, which will provide us with a larger customer base and enhanced sales revenues. Current year business level is encouraging and company hopes to do well in the remaining six months.**

**I am glad to inform you that the Company has shifted its' Registered Office to a spacious premises at 18, Shivaji Housing Society, Pune-411016 where we will be able to serve our shareholders and customers well.**

**In order to enhance our performance and service the customers better,we have taken many initiatives towards competence development of employees. We have focused our attention on need based training for our Human Resources at all levels. A system is established to retain talent through proper system of recognition and reward to individuals and teams.**

**Mr. Prabhakar Kore and Mr.Swastik Sirsikar directors of the Company are due to retire by rotation and being eligible offer themselves for re-appointment.**

**Finally on behalf of the Board , I wish to place on record our expression of gratitude to Bank of Baroda, Bankers of the Company, for continuous encouragement and support, and to all employees for their contribution to the results achieved during the year . In addition, my thanks are extended to you, for your support as shareholders and for the keen interest shown in the performance of the company. With your co-operation and support I am sure we can continue to achieve better results.**

**The Directors' Report and Audited Statement of Accounts for the financial year ended March 31,2009 is moved for adoption. The Company Secretary will now read Auditors Report on the statement of accounts placed before you.**

**If you have any question on the Report and Accounts, we shall be happy to reply to them.**

**Date :25'th July,2009**

**Place : Pune**

**S.Padmanabhan**

**CHAIRMAN**

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