

Rajoo Engineers Limited

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RAJOO[®]
excellence in extrusion

17th September, 2020

To,
The Department of Corporate Services,
The Bombay Stock Exchange Ltd.,
Phiroz Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

BSE CODE : 522257

SUB: Investor Presentation

Dear Sir/Madam,

Please find attached herewith Investor Presentation of the Company for your record and further dissemination.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For, RAJOO ENGINEERS LIMITED,

Jadejaviyay
(CS. Vijay Jadeja)
Compliance Officer





Rajoo Engineers Limited

Result Update Presentation

Q1 FY21

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Chairman's Message

“During the first quarter of this financial year, we registered a revenue of Rs. 24.44 cr. with EBITDA and PAT of Rs. 2.93 crore and Rs. 1.39 crore. The performance has been impacted by the continued ban on single use plastic across certain states in India and corresponding poor sentiment emanating because of this. To top that the COVID-19 situation also brought about a complete lockdown in our country. The rising systemic stress and the on-going economic slowdown affected our business too.

Despite the continued ban on single use plastic in certain states, the emergence and prolonged stay of the COVID-19 virus, I am happy to share that we have managed to register a profit for this quarter. While ups and downs are part of everyone's journey, we at Rajoo Engineers Limited, believe that every external challenge has only pushed us to strive harder and set stronger goals. Our collaborations and formidable alliances with market leaders have helped us in these trying times. We continually strive to identify new avenues of growth and effective utilization of existing resources.

We at Rajoo believe that every adversity provides opportunity to grow and succeed. In an effort to help our nation and make best use of the technology available, we focussed on our internal processes making them more efficient, devising systems to improve our productivity. One of the values built in our DNA is to give back to our society. In this our in-house R&D came up with an innovative idea to manufacture machines that will product N-95 masks – a much needed product of the hour. The N95 mask or N95 respirator is a particulate-filtering facepiece respirator. We have started developing an N95 mask making machine. Our design team worked continuously, completely it in record time. Simultaneously, another machine was also being developed that can produce a special type of meltblown non-woven fabric used in the making of the N95 mask. We now also make the fabric machine used in the N95 mask. We are the first company in India to make a die for making melt-blown fabric. Our products assume special significance for India in the wake of the severe disruptions caused by the coronavirus pandemic in the Indian and the global economy. I am happy to share that we have already started commercial production of both these machines and have received small orders for them which we are currently executing.

I would like to thank the entire team of 'Rajoo' for their untiring efforts, hard work, sincerity and dedication. Also, I would like to thank our valued Shareholders, whose support and faith in our Company has given us the determination and ambition to set and achieve higher benchmarks.



**Commenting on results,
R. N. Doshi, Chairman and
Managing Director,
Rajoo Engineers Limited said:**

- COVID-19 pandemic posed an unprecedented challenges all over the world. All societies, industries and businesses have been impacted, and Rajoo' is no exception to it.
- Due to lock down and subsequent restrictions on movement, the entire economy is facing financial distress.
- There will be a major impact of Covid on turnover and profitability. Closure of economic activity has led to disruptions in dispatch.

- While almost all of the business were under lockdown mode during the national lockdown, our products fell under the category of "Essential goods". Accordingly, the Company got permission to open up one plant to service these needs.

The Company is adhering to complete safety measures in all its offices/branches/warehouse to safeguard its employees from COVID-19.

- All offices were cleaned and sanitized before reopening
- Screening of employees before entering and after leaving premises
- Adequate stocks of sanitizers and face masks made available to all employees
- Ensured clear standard operating procedures in place on how to work with social distancing, staggered lunch timings, fixing hand sanitizer dispensers etc.

Launching MASCON and FABREX- need of the hour machines to combat pandemic

FABREX - Melt Blown Fabric Making Machine

- Pioneered non-woven fabric technology in India and supplied many spun bond lines in the last decade
- Now introducing yet another non-woven fabric technology - Blown



Launching MASCON and FABREX- need of the hour machines to combat pandemic

Mascon -Automatic N-95 Mask Making Machine

- Dynamic nature of healthcare, pandemic or no pandemic, presents different opportunities to processing industry at different times
- Rajoo unveils India's first Automatic N-95 mask making machine: engineering solutions to address needs of the hour
- MasCon[®] - Fully automatic Mask making lines designed and manufactured to produce various types of Masks like N 95 (with valve & without valve).
- Capacity to produce 50,000 masks in a day
- Special significance of these machines as the world fights the COVID-19 pandemic





Consolidated Financial Highlights

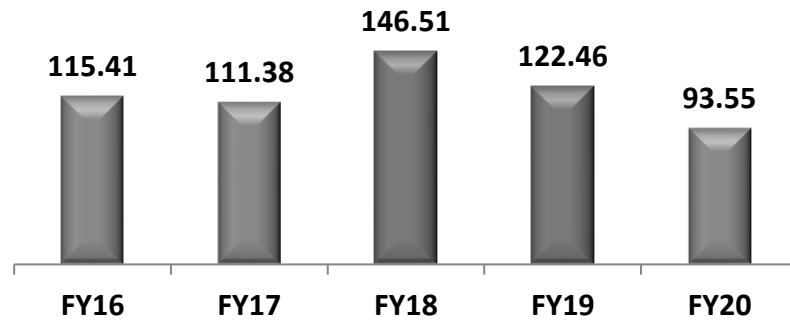
Consolidated Financial Highlights – Quarterly

Rs. Crore	Q1 FY21	Q1 FY20	Y-o-Y %	Q4 FY20
Income from Operations	24.44	19.71		25.91
Other Operating Income	0.00	0.00		0.00
Total Income	24.44	19.71	24.01%	25.91
Raw Materials	15.98	10.23		15.15
Employee Cost	2.09	2.85		3.60
Other Expenses	3.44	4.79		5.81
Total Expenditure	21.51	17.86	20.44%	24.56
EBITDA	2.93	1.85	58.43%	1.35
EBIDTA Margin (%)	11.99%	9.39%	260 bps	5.21%
Other Income	0.15	0.07		(0.12)
Depreciation	0.88	0.95		0.93
Interest	0.29	0.67		0.45
Profit Before Tax	1.90	0.30	527.34%	(0.15)
Tax	0.52	0.06		(0.29)
Profit After Tax	1.39	0.25	458.03%	0.14
Other Comprehensive Income	0.00	0.00		0.04
Net Profit	1.39	0.25	458.03%	0.19
Net Profit Margin %	5.67%	1.26%	441 bps	0.72%
Basic EPS in Rs.	0.23	0.04	475.00%	0.02

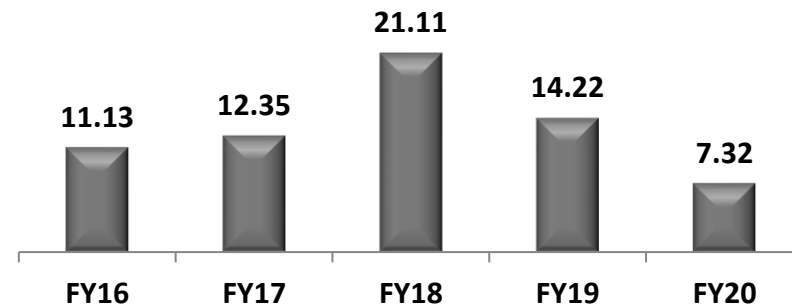
Q1 FY21 vs Q1 FY20-

- Income from Operations have shown improvement since the machines that were postponed in Q4FY20 worth Rs 13 crore were dispatched in this in the previous quarter
- Lockdown affected our operations but since some of our product fell in the category of “essential goods”, we were able to resume operations in one unit which has led to overall increase in net profit

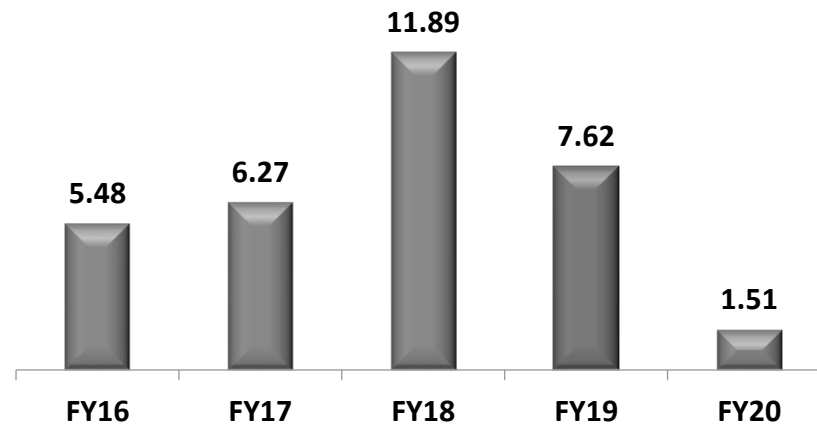
Revenue (Rs. Crore)



EBITDA (Rs. Crore)



PAT after Minority Interest (Rs. Crore)



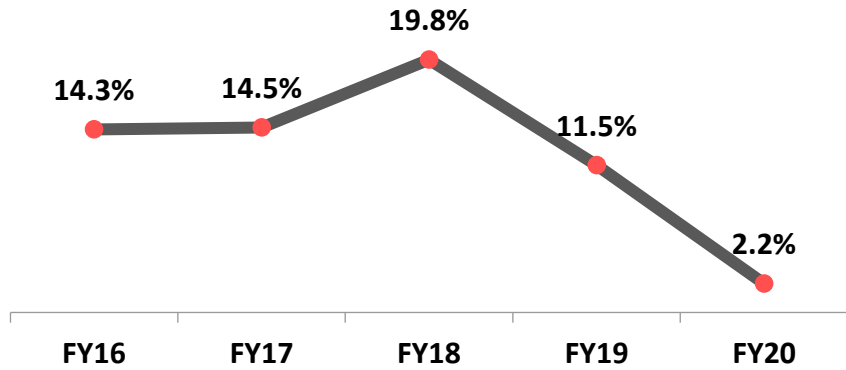
Consolidated P&L Highlights – FY20

Rs. Crore	FY20*	FY19*	Y-o-Y %
Income from Operations	93.55	122.46	
Other Operating Income	0.00	0.00	
Total Income	93.55	122.46	(23.61%)
Raw Materials	51.51	72.14	
Employee Cost	12.42	12.31	
Other Expenses	22.30	23.80	
Total Expenditure	86.23	108.24	
EBITDA	7.32	14.22	(48.55%)
EBIDTA margin (%)	7.82%	11.61%	(379 bps)
Other Income	0.14	1.06	
Depreciation	3.78	3.75	
Interest	2.09	2.27	
Profit Before Tax	1.60	9.26	
Tax	0.13	1.37	
Profit After Tax	1.47	7.89	(81.40%)
Other Comprehensive Income	0.04	(0.27)	
Net Profit	1.51	7.62	(80.16%)
Net Profit Margin %	1.62%	6.22%	(460 bps)
Basic EPS in Rs.	0.24	1.28	(81.25%)

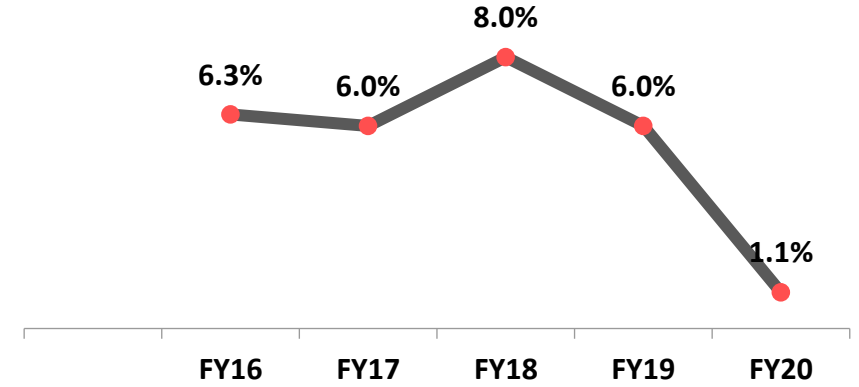
- Revenue decline of 23.61% - Sales were affected on account of plastic ban by government resulting into poor market sentiments, that further reduced order flow as compared to previous year and enabled to dispatch machines only in the last quarter due to COVID-19.
- Despite fall in revenues our gross margins have improved from 41% in FY19 to 45% in FY20 due high value projects executed in the export market.
- EBITDA (excl. Other Income) decline of 48.55% - revenue drop in spite of decreased raw material consumption. However, other expenses show a reduction in FY20.

Key Ratios

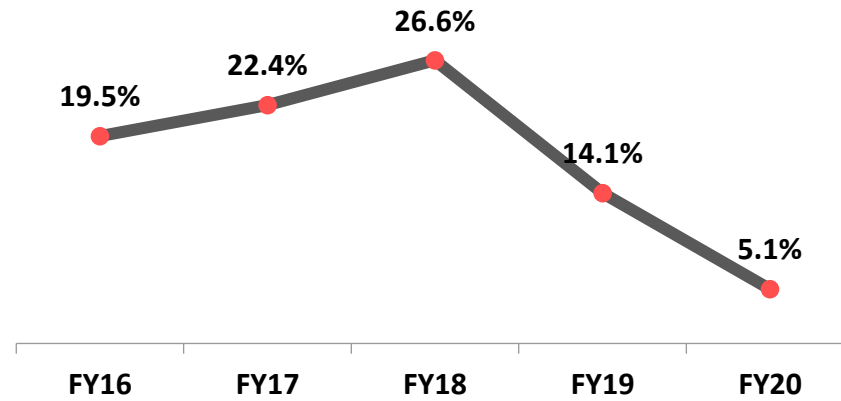
RoE(%)



RoA(%)



RoCE(%)



Consolidated Balance Sheet

Rs. Crore	As on 31 st March 2020	As on 31 st March 2019
Equity	67.58	66.05
Equity Share Capital	6.15	6.15
Other Equity	61.43	59.90
Non-Current Liabilities	8.08	11.00
Financial Liabilities		
Borrowing	4.19	7.00
Provisions	0.00	0.00
Deferred Tax Liabilities (Net)	3.89	4.00
Other Current Liabilities	0.00	0.00
Current Liabilities	65.35	50.23
Financial Liabilities		
Borrowings	1.86	10.46
Trade Payables	30.13	19.57
Other Financial Liabilities	2.57	1.92
Other Current Liabilities	27.79	14.10
Provisions	2.73	2.27
Income Tax Liability (Net)	0.27	1.91
Total Equity & Liabilities	141.01	127.28

*Financials in line with IND AS guidelines

Rs. Crore	As on 31 st March 2020	As on 31 st March 2019
Non-current Assets	47.47	50.87
Property, Plant and Equipment	41.59	44.71
Intangible Assets	1.83	1.48
Capital WIP	1.56	2.12
Financial Assets		
Investments	1.97	1.98
Loans	0.45	0.52
Other Non- Current Assets	0.07	0.07
Current Assets	93.54	76.41
Inventories	60.50	40.89
Financial Assets		
Investments	0.00	0.00
Trade Receivables	11.83	15.70
Cash & Cash Equivalent	4.21	1.57
Bank Balance other than Cash	5.87	0.05
Loans	0.09	0.02
Other Current Financial Assets	0.02	0.01
Other Current Assets	11.02	18.16
Total Assets	141.01	127.28



Company Overview

Among leading extrusion machinery manufacturers

State of Art Integrated Manufacturing Facilities & R&D center

Strong Geographical Footprint

Experienced Management Team

Wide and Diverse Product Portfolio

- Over three decades excellence in extrusion
- Knowledge, experience, technology assimilation and implementation are skills harboured by Company result in number of 'technology firsts' and ability to suit solutions to regional needs
- World-class integrated facilities at Rajkot, Gujarat -comprise R&D, design office, tool-room, die shop, metal treatment shop, fabrication shop, paint shop, assembly shop and testing shop
- Implemented ERP System/ SAP – S4 HANA – an Industry First in India
- Inhouse R&D Center – Received DSIR approval
- Installations across in more than 60 countries
- Latin America, Europe, North & South America, Middle East, Asia Pacific and Africa
- Nearly 45% of Sales from Exports in FY20
- Strong Management team with over 33 years of experience
- Backed by skilled & experienced team
- Diverse product offerings across extrusion machinery catering to wide range of sectors
- Due to integrated facilities, capability to offer complete and most energy efficient products to customers

Journey So Far...

- Incorporated in 1986
- Launched – **FOILEX – Mono layer blown film line**, **LAMINA – Mono layer sheet extrusion line**, **AQUAFLEX – Downward film extrusion**, **FOMEX – Chemically formed blown film line.**
- 1st Indian Co-extrusion feed block for multilayer sheet line, foamed PVC profile line, Oscillating Haul-off system, Multifoil with lay flat width of 3000 mm
- Entry into International market with maiden export of blown film line to Tanzania
- Began operations at Rajkot and Technical collaboration with Wittey machinery, UK based Company
- Went public – issue oversubscribed by nearly 24 times

- **Expansion Product Portfolio** - Asia's first CE compliant 7 layer fully automatic blown film line to Turkey
- Technical Collaboration with Commodore Inc. U.S.A. (Tekni-Plex Inc.) for XPS sheet line & Hosokawa Alpine, Germany for blown film line
- Received award for Vacuum forming machine with mould : 7086 XPS & Labex -Nano 3 Layer Co-extruded Blown Film Line from IPMMI – IMDIR
- Wonderpack merger for benefit of thermoforming industry
- JV with Bausano of Italy, Plastic pipe manufacturing industry

- Manufactured India's biggest 3 layer blown film with Vertical spiral die
- **DISPOTILT** - Innovation of polymer processing machinery
- Launched technologically advanced 5-axis machines
- Launched Pentafoil Series with low energy consumption certified by TUV
- 5s - Japanese workplace management programme initiated
- First company in Asia to Receive DISR Certification for R&D centre (innovation room)
- High Impact Alliance between Rajoo Engineers and Kohli Industries- to Change Market Dynamics of Extrusion Coating & Lamination Machines
- Launched- India's first integrated, yet modular, non-woven fabric and automatic n95 mask making lines: engineering solutions to address needs of the hour

1986-1995



1996-2005



2006-2012



2013-2015



2016-2020



- **Expansion of Product Portfolio**
- **Launched Dispocon** - Electro Hydro pneumatic plug assist Thermoformer,
- Launched internal bubble cooling system for blown film line
- Awarded export excellence from EEPCC
- Secured ISO 9001 certification
- Government recognition as STAR EXPORT HOUSE
- Developed CE complaint high output sheet line and exported to Germany

- Founder & Mentor Mr. C. N. Doshi awarded Life Time Achievement Award for his contribution to innovation by Elite Plus & Indian Plastics Institute
- Exported India's first ever twin screw PVC pipe plant
- Award received for Lamina – Nano 5 layer barrier sheet line from IPMMI-IMDIR
- Plasticon Silver Award received for world's smallest Labex - Three layer blown film lab line from Plast India Foundation
- **Expansion of Product Portfolio – MULTIFOIL Lite** – ABA blown film line, FLOWEX – PVC pipe plant and Wodoplex - WPC line with 70% sawdust processibility
- Displayed Asia's first and Rajoo's 21st five layer blown film line with elevated air ring at Plastindia 2015

Experienced Management Team



R. N. Doshi - Chairman & Managing Director

- Co-founder of Rajoo Engineers Limited
- More than 25 years of experience in plastic processing, machinery manufacturing, engineering and product innovation and development
- Responsible for R & D, business development and growth strategies



Sunil Jain – Director & President

- More than 30 years of experience
- Hold a Bachelor's degree in Mechanical Engineering from BITS (Pilani)
- Responsible for overall marketing, business development, diversification and growth strategies at the corporate level He has more than 30 years of experience in the flexible packaging industry and plastic extrusion machinery industry.



Khushboo Chandrakant Doshi – Whole Time Director

- Joined in 2007 as Head of Marketing and Communications
- An architect by education and holds Master's Degree in Industrial Product Design from UK and Masters in Management for Entrepreneurs from IIM, Ahmedabad and Family Businesses from IIM Bangalore
- Expertise in marketing, corporate branding, PR and Communication strategy



Utsav Doshi – Technical Director

- Joined in 2011 as an Engineer – Vender Development
- Holds a Bachelor's Degree in Mechanical Engineering with a Masters in Polymer technology from HTW Aalen University, Germany
- Functional expertise in Design and Operations and responsible for entire manufacturing activity at REL.



J. T. Zalawadia - Chief Financial Officer

- Joined in 2004 as Chief Financial Officer
- Strong control on financial stability and thorough administrative process knowledge play key role in exponential growth of Rajoo
- Overall financial management, critical function of human resources, efficient administration, Enterprise Resource Planning (ERP) are his focus areas



Manish Vasavada – Executive Vice President-Sales and Marketing

- Joined in 2008 as Vice President sales and Marketing
- 2 decades of experience in capital goods industry
- A qualified Mechanical Engineer, with unique advantage due to his exposure to different functions of manufacturing as well.
- Responsible for business development in Domestic market including Asian countries



Gaurang Mehta - Vice President – Operations

- Holds Bachelor's degree in Electronics, Master's Degree in TQM and Executive MBA in Operations Management
- Over 23 years of experience in Production, Project Management, Quality Management, Maintenance and Service industry
- sound knowledge and experience of best practices of lean manufacturing and operational excellence

Experienced Management

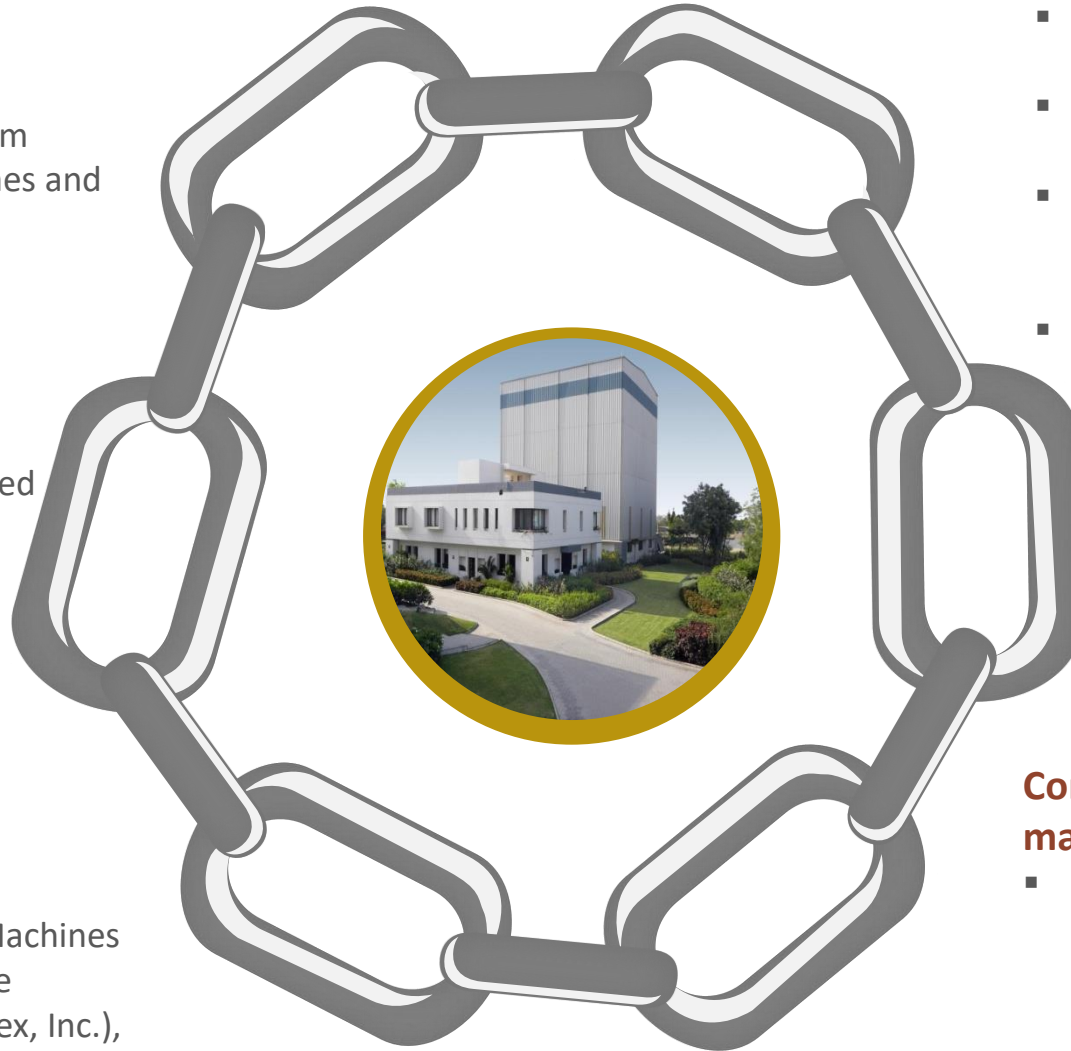
- Dynamic Experience leadership
- Significant experience in Blown Film Extrusion lines, sheet Extrusion lines and Thermoforming lines
- Dedicated, skilled employee base

Strong Customer Loyalty

- ~60% of business, every year generated through repeat orders
- Key marquee customers like Uflex, Reliance Industries, Indian Oil, Binny Wads, Suvi International, synthetic Packaging, Abhinav Industries & S D International

Key Strategic Partnerships

- Bausano & Figli- Italy, MEAF Machines B.V.- Netherlands, Commodore Technology LLC-USA (Tekni-Plex, Inc.), Wonderpack – Nashik(India)



World Class Integrated Facilities

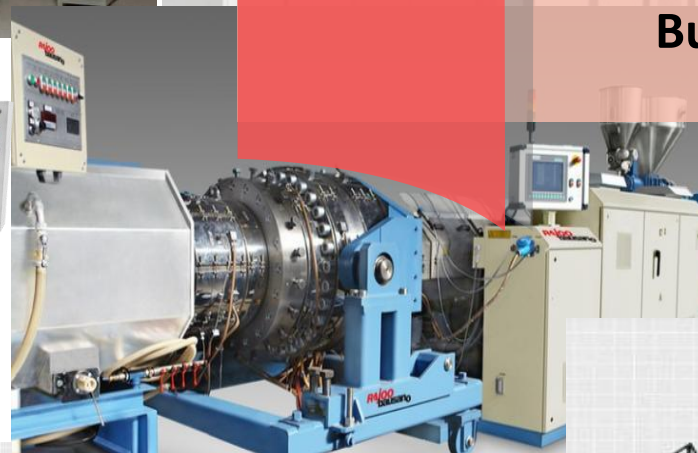
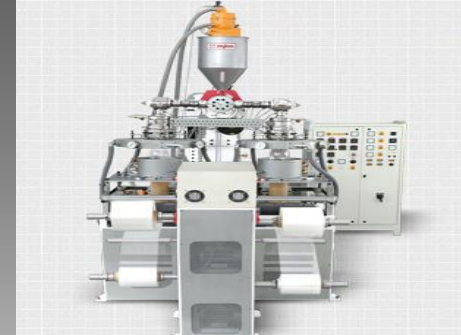
- Shree Yantralaya - Well Equipped dust free & fully Air-conditioned tool room
- Shree Alekhalaya – 40+ Qualified Design Engineers
- In-house Modern Paint Shop, Shree Bhandaralaya – store room & Huge and Well-Equipped Assembly Shop
- Shree Vidhutralaya – In-house panel division

Strong Geographical Footprint

- Installations in 60 countries
- Latin America, Europe, North & South America, Gulf, East Africa, Northeast & West Africa, Southern Africa, Asia Pacific, Australasia and Eurasia

Complete product offering in extrusion machinery

- Knowledge, experience, technology assimilation and implementation are skills harboured by Company result in number of ‘technology firsts’ and ability to suit solutions to regional needs
- Only Company in India to offer most ‘energy efficient’ products



Business Overview

Mono & Multilayer Blown Film Lines



FOILEX™ - Monolayer Blown Film Lines



AQUAFLEX® - Downward Extrusion Blown Film Lines



PENTAFOIL – Five layer Blown Film Lines



LABEX® - Lab Equipment



MULTIFOIL® - Multilayer Blown Film Lines



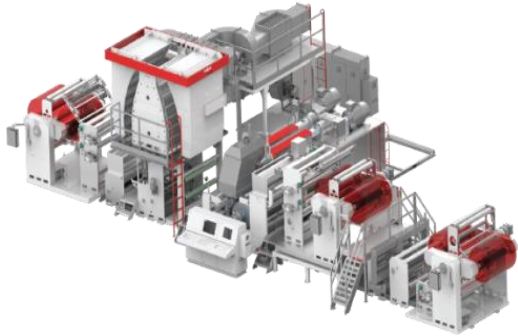
HEPTAFOIL® - Seven layer Blown Film Lines



FOMEX™ - PS/PE Foam Extrusion Lines

Strong & Diverse Product Portfolio...

Mono & Multilayer Extrusion Coating & Lamination Line



LAMEX™ – Extrusion Coating & Lamination Line

Cross Lamination Film Line



® Multifoil -X – Cross Lamination Film Line

Pandemic Hamper



® FABREX - Melt Blown Fabric Making Machine



MASCON - Automatic N-95 Mask Making Machine

Mono & Multi layer Sheet extrusion lines



LAMiNA - Mono & multilayer sheet lines for PP/EVA/PS



LAMiNA rPET - PET sheet lines



FOMEX-S - Physically Foamed Sheet Extrusion line

Strong & Diverse Product Portfolio...

Thermoforming & PS Foam Vacuum Forming Machines



DISPOCON-Hydraulic And Servo Thermoformers



DISPOCON-MS Multistation Thermoforming Machine



DISPOCON-F - Thermoforming & PS Foam Vacuum Forming Machines



DISPOTILT - Tilting Mould Thermoforming Machine

PVC Segment



^R
WOODPLEX - WPC Profile & Board Line



FLOWEX - Twin Screw PVC Pipe Plant



GRANULEX - Granulation lines



FLOWEX - HDPE/PPR Pipe Plant

...Catering to Wide array of Industry Sectors



Flexible Packaging



Agriculture



Infrastructure



Automobiles



Food & Beverages



Pharmaceutical



White Goods



Stationery & Printing

Shree Yantralaya – Tool Room

- State-of-the-art tooling zone ensures higher accuracy level in all critical components

Shree Aalekhalaya – Design Department

- 40 Qualified Design Engineers

In-house Modern Paint Shop

- In-house modern paint shop facility – first of its kind in Asian industry
- Ensures long life of paint and improves machine aesthetics

Shree Bhandaralaya – Store Room

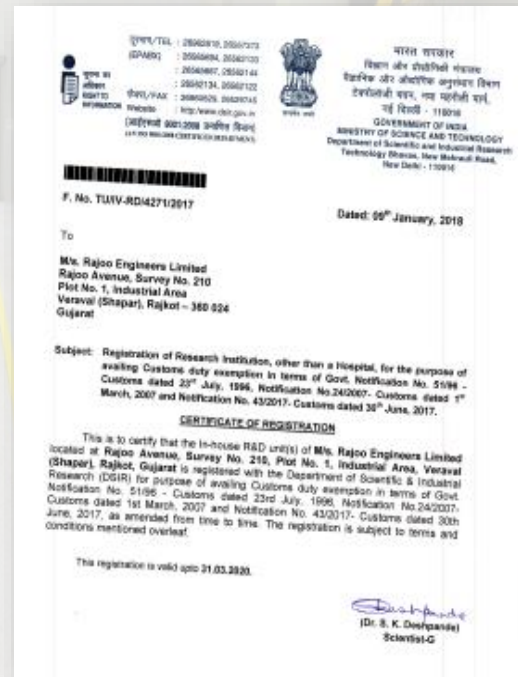
- Set up store christened “Shri Bhandaralaya” with hi-tech facilities for proper storage and retrieval

Huge and Well-Equipped Assembly Shop

- Three different assembly shops partitioned to accommodate machines of different heights and lengths
- Highly skilled fitters with experience of over 25 years, assemble lines
- Machines tested thoroughly for performance in line with customer’s specifications before dispatch



- Set up R&D Center – ‘Rajoo Innovation Centre’
- First Company in Asia to start R&D Centre for customers – enabling customers to test run products, offering total and customized products
- Received approval from DSIR (Government of India)





Rajoo Meaf

- Technical collaboration with MEAF Machines B.V. of Netherlands, globally acclaimed Company in business of sheet extrusion with inline / offline thermoforming equipment and thermoforming machinery since 1947



Commodore LLC., USA (Tekni- Plex, Inc.)

- Entered into Technical collaboration with leading world player Commodore LLC., USA (now known as Tekni-Plex, Inc.) on 24th Oct 2007 with objective of being first Indian Company to introduce XPS foamed sheet line and Thermoformer in India



Bausano & Figli, Italy

- Entered into Joint Venture with Bausano & Figli, Italy for plastic pipe manufacturing industry in India gets fillip
- Collaboration bring indigenous raw material from Bausano & Figli to India - will then final shape at expansive infrastructure of Rajoo Bausano Extrusion Pvt. Ltd.



Wonderpack, India

- A unified approach for benefit of thermoforming industry



Kohli Industries, India

- Entered into High Impact Alliance with Kohli Industries to Change Market Dynamics of Extrusion Coating and Lamination Machines
- Collaboration brings best in class and proven web solutions needed to provide a versatile system in line with future industry requirements

....Leading to suite of Marquee Customers

RAJOO[®]
excellence in extrusion



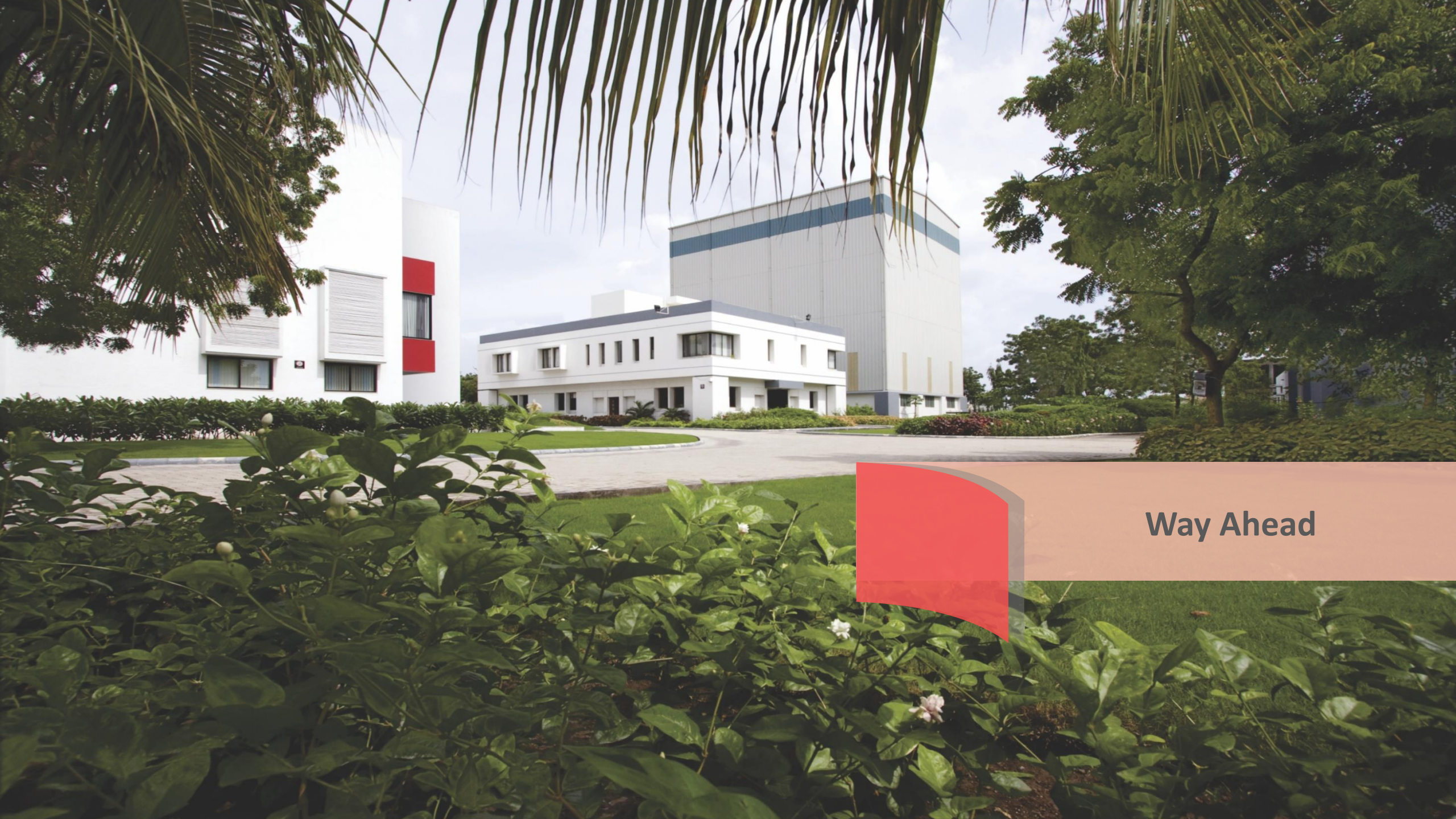
...Creating Strong Global Presence...



30+ Years of
Excellence in
Extrusion

65 Countries
we have
Exported to

3k+
Installations



Way Ahead

COVID Opportunities

- New avenue of opportunities have opened up owing to this pandemic
- Year 2020 will give birth to a new normal where face protective gears will assume more importance

Vocal for Local

- Our respected PM's Vocal for Local initiative reiterates the importance of local manufacturing, local market and local supply chains
- Increase in importance of our locally manufactured indigenous products



More integration – R&D and Innovation Centre

- Use of in-house and better technologically equipped facilities for innovation and excellency in business

Increase in product offerings

- Add new products like extrusion coating, multistation Thermoformer
- Create and add more products that are automated and need lesser human handling

Increase penetration in key markets

- Increase penetration in existing key markets of India, Latin America, Asia Pacific & Middle East

Thank You



For further information, please contact:

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Rajoo Engineers Limited.

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