

Rajoo Engineers Limited

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RAJOO[®]
excellence in extrusion

31st May, 2018

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

BSE CODE : 522257

Sub:- Media Release

Dear Sir,

Please find attached herewith Media Release of the Company for your record and further dissemination.

This is for your information and records please.

Thanking you,

Yours faithfully,

For, **RAJOO ENGINEERS LIMITED,**

Jadejavi Jay

(CS. Vijay Jadeja)
Asst. Compliance Officer



Media Release

Demonstrated strong growth on back of value added products for the flexible packing market

- FY18 Revenue from operations at Rs 146.51 crore - YoY growth of 31.54%
- FY18 EBIDTA at Rs 12.35 crore – YoY growth of 70.97%
- FY18 EBIDTA margin at 14.41% - 332 bps YoY improvement – on account of technological innovations & operational efficiencies
- FY18 PAT at Rs 11.89 crore – YoY growth of 89.48%
- FY18 PAT margin at 8.11% - 248bps YoY improvement
- Board Recommends Final Dividend at 25% i.e. Rs. 0.25 Per Equity Share

Mumbai, May 30, 2018: Rajoo Engineers Limited (BSE: 522257), the leading extrusion machine manufacturers in India, with over the three decades of excellence in extrusion industry, announced its audited results for the quarter and year ended 31st March 2018. These financials are as per the IND AS accounting guidelines.

Key Financials (Rs. In Crore):

Particulars	Q4 FY18	Q4 FY17	YoY	Q3 FY18	FY18	FY17	YoY
Revenue from operations	60.13	47.37	26.94%	46.97	146.51	111.38	31.54%
EBIDTA (excluding other income)	6.20	4.86	27.53%	9.71	21.11	12.35	70.97%
EBIDTA Margin%	10.31%	10.26%	5bps	20.66%	14.41%	11.09%	332bps
PAT	2.22	2.75	(19.21%)	7.04	11.89	6.27	89.48%
PAT Margin %	3.69%	5.80%	(211bps)	15.00%	8.11%	5.63%	248bps

*FY 17 numbers are restated as per IND AS guidelines

Performance Highlights

For the quarter ended March 31st, 2018:

- **Revenue from operations** in Q4FY18, Rs. **60.13 crore** as against Rs. 47.37 crore in Q4 FY17, **YoY growth of 26.94%**, mainly on account of growth in value added products for the flexible packaging market
- **EBITDA (excluding other income)** stood at **Rs. 6.2 crore** in Q4 FY18 as against Rs. 4.86 crore in Q4 FY17, **YoY growth of 27.53%**,
- **Profit After Tax** was at **Rs. 2.22 crore** in Q4 FY18 as against Rs. 2.75 crore in Q4 FY17

For Year ended March 31st, 2018:

- **Revenue from operations** was Rs. **146.51 crore** in FY18 as against Rs. 111.38 crore in FY17, **YoY growth of 31.54%**, mainly on growth in value added products for the flexible packaging market
- **EBITDA (excluding other income)** stood at **Rs. 21.11 crore in FY18** as against Rs. 12.35 crore in FY17, **YoY growth of 70.97%**.
- **EBITDA margins increased by 332 basis points to 14.41%** in FY18 from 11.09% in FY17 mainly on account of focus on technological innovation and increase in operational efficiencies
- **Profit After Tax** was at **Rs. 11.89 crore in FY18** as against Rs. 6.27 crore in FY 17, **YoY growth of 89.48%**
- **PAT margins increased by 248 basis points to 8.11%** in FY18 from 5.63% in FY17
- **EPS** grew by **87.96% to Rs. 2.03 in FY18** from Rs. 1.08 in FY17
- The Board of Directors has recommended, subject to the shareholders' approval, **a final dividend at 25% i.e. Rs. 0.25 per equity share** for the financial year ended March 31, 2018

Highlights of the year

The Company has added four new, technologically advanced machine tools that employ precise machining technology to produce extremely high-quality components with precision and repeatability. The digitally designed complex components are seamlessly transposed to these machine tools directly, eliminating the need for human intervention and related errors.

The Company launched Twin-screw sheet extrusion system with focus on using PET bottle flakes for producing rPET sheet for a host of established and proven packaging applications. The concept of using rpet bottle flex for semi rigid packaging is also **in line with the objective of swatchh bharat abhiyan and sustainability**. These packaging formats are well established in many other parts of the world.

The Company unveiled Extrusion Coating and Lamination machine as post extrusion process to substitute conventional adhesive lamination process for producing laminate for various packaging applications.

The Company was recognized by DSIR for its continuous Research & Development activities for bringing world class technology at affordable price level.

The Company has successfully implemented SAMVIDHA (SAP ERP) & SHRESTHA (5S) to improve operational efficiencies.

Management Comment:

Commenting on the recent development, **R. N. Doshi, Chairman and Managing Director, Rajoo Engineers Limited said,**

The Company concluded Financial Year 2017-18 with unprecedented success in this challenging global environment. The foundation of this success was our focused strategies coupled with unstinted support of all our stakeholders- employees, customers and vendors. Despite the difficult global macroeconomic environment, we delivered a strong operating performance with continues R & D that positions us in the top tier in our industry.

It gives me immense pleasure to report that your Company has achieved a landmark turnover of Rs. 146 Cr during the current financial year of 2017-2018. Revenue for the full year has increased by over 30% on account of sales of value added products for the flexible packaging markets.. At the same time our EBITDA and PAT have grown by over 70% and 90% to Rs. 21 cr and 12 cr respectively.

The Company also expects to derive greater operating leverage out of its recent investments on 5 axis machining centers, in maximizing shareholders' wealth. Rajoo has led the industry for more than three decades and continues to grow exponentially in coming years. It is our vision "to become one of the most trusted and passionate solution providers for the plastic extrusion machinery world-wide in the best interests of all the stake holders pursuing ethical business practices". My sincere thanks to the Team Rajoo for their untiring efforts, hard work and dedication. Also, I would like to thank our valued stakeholder, whose support and faith in our Company has given us the determination to craft a better future.

About Rajoo Engineers Limited

Based in Rajkot, Rajoo Engineers Limited, having made a modest beginning in 1986, has today emerged as an undisputed global player in blown film and sheet extrusion lines. Owing to its focused efforts in blown film and sheet extrusion lines, the Company enjoys premium market position in this segment. Being a technology driven Company, product innovations, world-class quality, state-of-the-art workmanship, increased energy efficiency and high levels of sophistication and automation have become the hallmark of Rajoo products during all these years, positioning the Company's products on a global platform, competing with the established world leaders. With representations in many countries of the world and customers in over 60 countries, the Company's exports have multiplied after its debut in the international market in 1990. (www.rajoo.com)

For further information, please contact:

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Caution Concerning Forward- Looking Statements:

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers are cautioned not to place undue reliance on these forward-looking statements. The Company. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.