

Rajoo Engineers Limited

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RAJOO®
excellence in extrusion

REF: BSE/PRESS RELEASE/ MEDIA RELEASE/Q2/2021-22.

15th November, 2021

To,
The Department of Corporate Services,
The Bombay stock Exchange Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.
BSE Scrip Code: 522257

Dear Sir / Madam,

SUB: DISCLOSURE UNDER REGULATION 30 OF THE SEBI (LODR) REGULATIONS, 2015 WITH REGARD TO Q2 MEDIA RELEASE/ PRESS RELEASE.

Dear Sir/ Madam,

Please find enclosed herewith the Media Release of the Company for the 2nd Quarter ended 30th September, 2021 for your record and further dissemination.

This may kindly be considered as a disclosure pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and record.

Thanking you,

Yours faithfully,
For, **RAJOO ENGINEERS LIMITED**



(Darshak Thaker)
(Company Secretary & Compliance Officer)
(M.NO: F11484)



Media Release

**Growth driven by higher lifting of Machines on the
back of increasing confidence**

Higher number machine dispatches, both in the domestic and export market

Exports contributes about 42% in H1 FY22

**Company currently operating on 70% utilisation – reflection of growing
confidence and increasing demand**

- Q2 FY22 Revenue from operations at Rs. 37.01 crore, YoY growth of 26%
- Q2 FY22 EBIDTA (excluding Other Income) at Rs. 5.20 crore, YoY growth of 25%
- Q2 FY22 EBIDTA Margin (excluding Other Income) at 14.05%
- Q2 FY22 Net Profit at Rs. 3.35 crore, YoY increase of 42%
- Q2 FY22 Net Profit Margin at 9.04%, a YoY increase of 98 basis points
- Q2 FY22 Basic EPS at Rs. 0.54, YoY growth of 42%

Rajkot, November 11th, 2021: Rajoo Engineers Limited (BSE: 522257), amongst leading plastic extrusion machine manufacturers in India, with nearly 35 years of “excellence in extrusion” in the industry, announced its unaudited financial results for the second quarter and half year ended 30th September 2021. These financials are as per the IND AS accounting guidelines.

Key Financials (Rs. In Crore):

Particulars	Q2 FY22	Q2 FY21	YoY%	H1 FY22	H1 FY21	YoY%
Revenue from operations	37.01	29.32	26.22%	69.94	53.77	30.08%
EBIDTA*	5.20	4.16	25.07%	7.21	7.09	1.67%
EBIDTA Margin (%)	14.05%	14.18%	(13 bps)	10.31%	13.19%	(288 bps)
PAT	3.35	2.36	41.63%	4.41	3.75	17.50%
PAT Margin (%)	9.04%	8.06%	98 bps	6.30%	6.97%	(67 bps)
Basic EPS (in Rs.)	0.54	0.38	42.11%	0.72	0.61	18.03%

*Excluding Other Income

Performance Highlights - For the Second quarter ended 30th September 2021

Revenue from operations for the quarter was **Rs. 37.01 crore** in Q2 FY22, as against Rs. 29.32 crore in Q2 FY21, a YoY increase of 26.22%. Confidence was high during the quarter and the Company witnessed higher lifting of machinery by the clients. This stands true for both Domestic and Exports markets. Q2FY22 was affected by the Covid sentiment and demand was highly subdued. The Company is witnessing a steady reversal of that situation.

EBITDA (excluding Other Income) was at **Rs. 5.20 crore** in Q2 FY22 as against **Rs. 4.16 crore** in Q2 FY21, increased of 25.07% YoY, as lifting was high resulting in higher capacity utilisation and achieving higher operation efficiencies. At the same time, Raw Material prices were higher by about 3% Y-o-Y putting pressure on the **EBITDA Margins**. But good thing is that they are come down Q-o-Q.

Profit after Tax was **Rs. 3.35 crore** in Q2 FY22 compared to Rs. 2.36 crore in Q2 FY21, YoY increase of 41.63%. **PAT Margin was at 9.04%** as against 8.06%, YoY increase of **98 bps**

Basic EPS stood at Rs. 0.54 in Q2 FY22 as compared to Rs. 0.38 in Q2 FY21

For the first half ended September 30th, 2020:

Revenue from operations in H1 FY22 **Rs. 69.94 crore** in Q2 FY22, as against Rs. 53.77 crore in H1 FY21, a YoY increase of 30.08%. The situation in H1 FY21 was hugely impacted by the Covid related lockdown that impacted client confidence as demand for resulting products saw a deep dive down. As the situation reversed during Q2 FY22, we are witnessing normalization leading to better performance. The Exports during H1 FY22 stood at 41.7% in terms of value.

EBITDA (excluding Other Income) stood at **Rs. 7.21 crore** in H1 FY22 as against **Rs. 7.09 crore** in H1 FY21, increase of 1.67% YoY. **EBITDA Margin was at 10.31%** - a decrease of 288 bps YoY as Q1 FY22 saw a very deep impact of second wave of Covid crisis and higher Raw Material costs resulting in pressure on the margins for H1 FY22.

Profit after Tax was **Rs. 4.41 crore** in H1 FY22 compared to Rs. 3.75 crore in H1 FY21, YoY increase of 17.50% and **PAT Margin was at 6.30%** - a decrease of 67 bps YoY

Basic EPS stood at Rs. 0.72 in H1 FY22 as compared to Rs. 0.61 in H1 FY21

Management Comment:

Commenting on the Company's performance, **R. N. Doshi, Chairman, Rajoo Engineers Ltd** said:

"During the second quarter we registered a 26.22% year-on-year rise in revenue at Rs. 37.01 cr. EBITDA and PAT grew 25.1% and 41.6% to Rs. 5.20 crore and Rs. 3.35 crore, respectively. The rise in revenue is primarily due to the last year's Q2 being severely impacted by the lockdown. This quarter we have witnessed higher number of machines dispatched both for the domesticity as well as export markets. This reflects an increased consumer confidence in the overall market. Despite rise in raw material prices and higher employee costs due to performance appraisals, we have managed to maintain EBITDA margins and improve PAT margins.

During the previous quarter, we extended our help to the families of our deceased employees affected from Covid 19. The distress faced by the entire world has forced all of us to take a step back and reevaluate our way of doing business and we have used this slowdown as an opportunity to frame new strategies and develop new products that will ensure sustainable progress in the coming years.

In July 2021, we hosted an open house event along with Kohli Industries to showcase the new Lamex 360 line at our customer Balaji's facility in Rajkot. We are being appreciated by stalwarts in this business for the 'appropriate technologies' approach to consistently help customer's business rather than following standard solutions.

Going into the third quarter, we are witnessing gradual recovery in the market after the impact of the second wave of the pandemic. Despite speculation of a third wave, the general consumer sentiment in India and overseas markets seems good.

I would like to thank each member of the Rajoo family, as well as our Clients, Creditors, Banks, Financial Institutions, and all other Stakeholders. Their faith in us and support extended makes it easier for us to strive and excel."

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, sheet extrusion lines and thermoformers, the Company enjoys a 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 70 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.