

# Catalyst

**RAJOO**<sup>®</sup>  
EXCELLENCE IN EXTRUSION

A journey of excellence in extrusion...



25th Annual Report  
2 0 1 1 - 2 0 1 2

# Global Player In Plastic Extrusion Machinery



## Product Range

<b>FOILEX</b>	: Mono layer blown film lines
<b>MULTIFOIL</b>	: Multilayer blown film lines
<b>AQUAFLEX</b>	: Downward extrusion blown film lines
<b>FOMEX</b>	: Foam extrusion system (chemical and physical)
<b>LAMINA</b>	: Mono & multilayer sheet lines
<b>DISPOCON</b>	: Thermoforming & vacuum forming machines
<b>FABREX</b>	: PP non woven fabric making machines
<b>TWINEX</b>	: Twin screw PVC pipe plants
<b>DRIPEX</b>	: Drip irrigation pipe plant for round and flat dripper
<b>LABEX</b>	: Lab equipments

# Rajoo Engineers Limited

ANNUAL REPORT  
2011-2012

25<sup>th</sup> ANNUAL GENERAL MEETING

Date : 17th August, 2012

Day : Friday

Time : 11.00 a.m.

Venue : Registered Office, Junagadh Road,  
Manavadar - 362 630 District : Junagadh (Gujarat)

**Admn. & Mktg. Office :**

Rajoo Avenue, Survey No.210, Plot No. 1, Industrial Area, Veraval (Shapar), Dist. : Rajkot - 360 024. Gujarat, India  
Phone : +91-97129-62704/52701 Fax : +91 02827 252700 E-mail : rel@rajoo.com

**Regd. Office :**

Junagadh Road, Manavadar-362 630. Dist. : Junagadh (Gujarat)  
E-mail : relmvr@rajoo.com

## Contents

1. Expressing sincere gratitude...	02
2. A journey of excellence in extrusion...	03
3. 25 Years of catalysis	05
4. A letter to share holders	07
5. The year 2011-12, at a glance	09
6. Leadership Team	11
7. Vision	12
8. Board of Directors	13
9. Financial highlights	14
10. Notice of AGM	15
11. Directors' Report	24
11.1 Financial Results	24
11.2 Corporate Governance	26
12. Auditor's report	40
13. Consolidated Balance sheet	44
13.1 Balance Sheet	44
13.2 Profit and Loss Account	45
13.3 Cash Flow statement	46
13.4 Balance Sheet Abstract	70
14. Corporate Sustainability	72
15. Pulling together for success	73
16. Proxy Form	74

### Important Communication to Members

The Ministry of Corporate Affairs has taken a "**Green Initiative in Corporate Governance**" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members feedback form given hereunder and register the same to **Link Intime India Private Limited, 211, Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad - 380009. Phone:079-26465179. Email: ahmedabad@linkintime.co.in** (Postage for sending the feedback form will be borne by the Company).







## Expressing sincere gratitude...

It has been 25 years since the impressive journey of your company began. We scaled new peaks and continuously strive to maintain the position of a top notch and trustworthy company.

This milestone would not have been possible without the support and patronage of all our stake holders.

We have established strategic technical collaborations and mergers with the topmost names in the Plastic Industry over the last five years; we expanded our footprint into 54 countries. We became a Rs.785 million revenue earning company with a robust business model. We invested in human capital and empowered them to connect the dots between product development and customer needs. We have crafted a solid platform for sustained growth.

We have treaded this path on the strength of **"excellence in extrusion"**, in whatever we do, in products, processes and transactions. We have far greater visibility of the opportunities in the market, and hence shall maintain focus, and enhance our own benchmarks, to demonstrate best-in-class quality, in whatever we do.

We have been at the forefront of innovation throughout these 25 years, we are not just entrepreneurs, but visionaries. It is our firm belief that has led Rajoo to become a global player with 350 employees and network spread across the globe.

It is time to reflect and celebrate the success and take pride in the achievements, but it is also time to reinvent and innovate – "Excellence in Extrusion" -the mantra that Rajoo continues to breathe with.

2011- The Silver anniversary year is a momentous occasion for Rajoo and we take this opportunity to share the journey and achievements –and assure that next twenty five years hold even greater promise for all those who are associated with Rajoo Engineers.

A sincere thank you to all those who have been part of this wonderful journey!

Look forward to your continued support & trust as; we look forward to the future.

For Rajoo, 'Excellence in Extrusion' created its yesterday, holds its today and would continue to guide its tomorrow

At Rajoo the metamorphosis has been quick. It all began in 1986 and the last 25 years have witnessed the transformation of a modest beginning in a relatively small town of Manavadar (Junagadh) in Gujarat to an expansive global footprint with offices in India and overseas with partners world-over. Well-known in global circles as a mature and respected organization with a zeal for quality, price consciousness and latest in extrusion technology, Rajoo comes with the right blend of experience, expertise and excellence.

Mr. C. N. Doshi says "I think one of the most important factors of our business foundation has been our willingness and readiness to sacrifice personal gains to build an institution".

His philosophy is based on the ancient spiritual wisdom of the Bhagavad Gita – (chapter -17: verse 11)

**"aphalakanksibhir yajno, vidhi-disto ya ijyate, yastavyam eveti manah, samadhaya sa sattvikah"**

"Of sacrifices, that sacrifice performed according to duty and to scriptural rules, and with no expectation of reward, is of the nature of goodness. You have the right to work, but never to the fruits thereof. Not only should you do your very best but you have to do it with your best intention."

This aphorism provides a sovereignty to innovate, with an unambiguous goal and willingness to move forward by continuing the dictum "Excellence in Extrusion" in each facet of its operations.

The vision and dynamism of the founders has seen the group making remarkable strides. Our achievements over the last 25 years are landmarks that have set precedents.

Rajoo dominates the market in blown film lines, sheet lines, thermoformers, foam extrusion and extrusion lines for non woven fabric in the Indian sub-continent, and an eminent player amongst Asian manufacturers of similar equipment, a sought-after name in global markets – exports accounting to over 50% of sales are indicative. While installations are spread across 54 countries, installations in Germany, Spain and Latin America stand out as acceptance by the most stringent and developed markets of the world, With 60% of the business coming from repeat orders, it is a clear indication of the satisfaction levels of existing customers,

- 1986** - Commenced business as Rajoo Engineers Pvt. Ltd. at Manavadar, a small village in Junagadh Dist. to manufacture mechanical cutting-sealing machines.
- 1988** - Ventured into the manufacture of blown film lines and delivered first PPTQ blown film line.
- 1990** - Launched the first ever blown film line to manufacture chemically foamed PE films  
- Made an entry into the International market with maiden export of a blown film line to Tanzania
- 1991** - Rajoo Introduced the first Indian co-extrusion feed block for multilayer sheet line and today command the largest market share of sheet extrusion lines in India.
- 1994** - Begun operation at Rajkot. Entered into a technical collaboration with a British Company. went public and the issue was over subscribed by nearly 24 times  
- Introduced the first ever indigenously designed and developed Oscillating Haul-off system for blown film lines and displayed at Plastindia 1994.
- 1995** - Introduced the first indigenously designed extruder incorporating grooved feed bush, barrier screw and cross-hole mixing section.  
- Introduced the first indigenously designed wide width blown film line for a lay-flat width of 3000 mm
- 1996** - Exported country's first "CE" marked machine to the European market
- 1997** - Introduced India's first Internal Bubble Cooling System for blown film lines and displayed at Plastindia 1997.
- 1999** - Rajoo Engineers Limited became an ISO 9001 certified company with further improved Quality Management Systems. The Company has now graduated to ISO 9001:2000.
- 2000** - The first ever sheet line was launched for PET at Plastindia - 2000, which received overwhelming response from India and abroad.  
- Introduced Asia's first stack type Universal Co-Extrusion Die christened UCD®. The die was displayed on a five layer co-extrusion blown film line at Plastindia -2000.

A journey of excellence in extrusion...

- 2001** - Introduced world's highest output TQPP downward extrusion blown film line at Plastivision 2002, christened Aquaflex.
- 2002** - India's first Electro-Hydro-Pneumatic Plug-Assist Thermoformer with in-mould cutting for Polypropylene & PS containers was brought in the Indian Plastic Industry.
- 2003** - Rajoo Engineers introduced world's first Two Layer TQPP Downward Extrusion Blown Film Line displayed at Plastindia 2003. The line is an alternative to produce lower end BOPP films for lamination. This line was also displayed at K-2004.
  - Awarded Export Excellence Certificate from Engineering Export Promotion Council of India in recognition of highest exports during the year
- 2004** - Developed a CE compliant high output India's first sheet line for processing PET regrind at the rate of 700 kg/hr was produced and exported the same to Germany.
  - Developed and supplied India's first sheet line for physically foamed PE sheets using carbon dioxide as blowing agent.
  - Rajoo Engineers Limited became a Star Export House recognized by Government of India for excellent exports.
  - Awarded GUJARAT GAURAV AWARD for its outstanding contributions to the plastic industry.
- 2005** - Developed Asia's first seven layer blown film line and exported to Colombia.
  - Developed Asia's first resin sack three layer blown film line and exported to Iran.
- 2006** - Rajoo Engineers Invented Asia's first Three Layer Wide Width Blown Film Line incorporating die diameter of 1200 mm and 4000 mm LFW. The maximum output is 1000 kg/hr.
  - Rajoo Engineers Developed Asia's first Three Layer Blown Film Line incorporating fully automatic touch screen control and 2100 mm roll width oscillating haul-off and fully automatic center-surface-gap winder exported to Gulf.
  - Rajoo Engineers Launched Asia's first Seven Layer Blown Film Line incorporating conical spiral stack (INCOS) ® die and displayed at Plastindia 2006.
- 2007** - Entered into technical collaboration with Commodore Inc. U.S.A. for manufacture of XPS sheet line and thermoformer.
- 2008** - Launched India's first PS foam extrusion line and vacuum forming machine and exported to Ghana.
- 2009** - Vacuum forming machine with mould : model RECR – 7086 XPS received and award "Machinery for packaging operations" from IPMMI – IMDIR 2009.
- 2010** - Rajoo Engineers JV with Bausano of Italy : plastic pipe manufacturing industry in India to get a fillip
  - Rajoo Engineers forges ahead; Technical collaboration with Hosokawa Alpine AG, Germany
  - Wonderpack merger : A unified approach for the benefit of the thermoforming industry
- 2011** - Supplied Asia's first CE compliance 7 layer fully automatic blown film line to Turkey
  - Developed India's first ever PP non woven fabric making machine
- 2012** - Developed world's first smallest 3 layer blown film line
  - Launched Drip irrigation pipe plant
  - Recognition of excellence for "three layer lab-line Labex machine" in the category of "Machinery for package conversion" presented at Mumbai on 23rd March 2012.

Our success has been the result of passion for values that are close to our heart. Our core values; innovation, excellence and customers delight have created an unsurpassed goodwill for the group.

It catalyzes to create the future..... A toast to another 25 years!

With renewed purpose, effective plans for improvement and innovative practices, company will thrive in this new era. The Journey to excellence is about change – innovative change that will empower Rajoo as a leader to embark on a journey to excellence. That's what will keep us going for another 25 years!"

"We are what we repeatedly do. Excellence, then, is not an act, but a habit." -Aristotle

Made an entry into the International market with maiden export of a blown film line to tanzania



Begun operation at Rajkot. Entered into a technical collaboration with a British Company. went public and the issue was over subscribed by nearly 24 times.



AN ISO 9001 COMPANY

Secured ISO 9001 certification  
1999

1986



Commenced business as Rajoo Engineers Pvt. Ltd. at Manavadar, a small village in Junagadh Dist. to manufacture mechanical cutting- sealing machines.

1990

Introduced the first ever indigenously designed and developed Oscillating Haul-off system for blown film lines and displayed at Plastindia 1994.



1994

1994



Introduced the first indigenously designed wide width blown film line for a lay-flat width of 3000 mm

Introduced an Internal Bubble Cooling System for blown film lines.



1997



2000

5 layer stack die (UCD) with horizontal spirals – first time in Asia & 4<sup>th</sup> in the world

1986 1988 1990 1991 1994 1995 1996 1997 1999 2000 2001



1988

Ventured into the manufacture of blown film lines and delivered first PPTQ blown film line.

Introduced the first Indian co-extrusion feed block for multilayer sheet line



1991

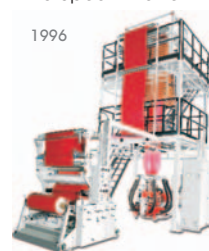


1995

introduced the first indigenously desined extruder incorporating grooved feed bush, barrier screw and cross-hole mixing section.

Exported country's first "CE" marked machine to the European market

1996



2000

Launched the first ever sheet line for PET at Plastindia 2000

1990



Launched the first ever blown film line to manufacture chemically foamed PE films



2001

Introduced world's highest output TQPP downward extrusion blown film line at Plastivision 2002, christened Aquaflex

25 Years of catalysis





Awarded Export Excellence Certificate from Engineering Export Promotion Council of India in recognition of highest exports during the year

2003



Launched Asia's highest output 3 layer blown film line with stack die (UCD) during Plastindia

2003

Awarded GUJARAT GAURAV AWARD for its outstanding contributions to the plastic industry.



Developed a CE compliant high output sheet line for processing PET regrind at the rate of 700 kg/hr and exported the same to Germany.

2004



2004

Developed Asia's first resin sack three layer blown film line and exported to Iran.

2005



Developed Asia's first seven layer blown film line and exported to Colombia.



2005

Launched India's first PS foam extrusion line and vacuum forming machine and exported to Ghana.



2008

Vacuum forming machine with mould : model RECR - 7086 XPS received and award "Machinery for packaging operations" from IPMMI - IMDIR 2009.



2009

**WONDERPACK**  
the thermoforming people

Wonderpack merger : A unified approach for the benefit of the thermoforming industry



**HOSOKAWA ALPINE**

Rajoo Engineers forges ahead; Technical collaboration with Hosokawa Alpine AG, Germany

**bausano**

Rajoo Engineers JV with Bausano of Italy : plastic pipe manufacturing industry in India to get a fillip

2010

2002

2003

2004

2005

2006

2007

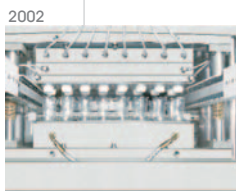
2008

2009

2010

2011

2012



Introduced India's first Electro-hydro-pneumatic plug-assist thermoformer with in-mould cutting for Polypropylene & PS containers.

Became a STAR EXPORT HOUSE recognised by Government of India.

2004



Developed Asia's first seven layer blown film line incorporating conical spiral stack (INCOSS)® die.

2006

**COMMODORE TECHNOLOGY LLC**

Entered into technical collaboration with Commodore Inc. U.S.A. for manufacture of XPS sheet line and thermoformer.

2007

Supplied Asia's first CE compliance 7 layer fully automatic blown film line to Turkey



2011



Developed world's first smallest 3 layer blown film line

2012



2012

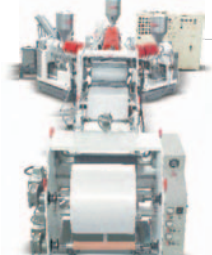
Launched Drip irrigation pipe plant



Asia's first 2 layer PPTQ film plant - 150 kg/hour.

Developed and supplied first sheet line for physically foamed PE sheets using carbon dioxide as blowing agent.

2004



2006

Developed Asia's first three layer wide width blown film line incorporating die dia 1200 mm and 4000 mm LFW. The maximum output is 1200 kg/hr.



2011

Developed India's first ever PP non woven fabric making machine

“We are gearing up for the next phase of growth through a combination of our own initiatives and forging new partnerships with leading companies. These investments will accelerate Rajoo's growth, worldwide.”



**C. N. Doshi**  
Chairman

## A letter to the shareholder

### ***Dear Fellow Stakeholders***

2011-12 has been an extremely challenging year as the plastic machinery manufacturing industry has displayed a negative growth, in spite of which, your Company could maintain marginal increase in the top line for the current fiscal to 78.48 crores as compared to 77.44 crores in the last fiscal. However the erosion in bottom line could not be controlled.

Exports however continued to provide effective support to the Company's operations and in the period under review, constituted 45.34% of total sales.

While the ban on pan masala and gutka continued effecting the production of poly film, plastics continues to get a bad name due to extraneous reasons. The industry has joined hands to combat this malafide propaganda. Further, Indian industry has not remained un-impacted by the economic crisis in Europe where most of the competitors of your Company originate from. As a result, competition has become more intense coupled with ingress of machines from Far East.

Your company took a conscious decision to expand its portfolio and also increase the geographical reach. Initial feedback has been encouraging and the fruits of these efforts are expected to accrue during the next fiscal.

The company has performed excellently well on the front of new products where its first non-woven fabric extrusion line was launched in addition to award winning Labex model of multilayer blown film line. This product not only received 2 prestigious awards but was also exported to U.S.A. at the time of writing this report.