



# Annual Report | 2018-19



# Rajoo Engineers Limited

## ANNUAL REPORT 2018 - 2019

### **32<sup>nd</sup> ANNUAL GENERAL MEETING**

Date : 20<sup>th</sup> September, 2019

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](mailto:rel@rajoo.com)

#### **Regd. Office :**

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

CIN : L27100GJ1986PLC009212





#### 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,**  
**506-508,Amarnath Business Centre-1 (ABC-1),**  
**Besides Gala Business Centre**  
**Near XT Xavier's College Corner,**  
**Off C G Road , Ellisebridge**  
**Ahmedabad 380006 Tel No : +91 79 26465179 /86 / 87**  
**E-mail id : ahmedabad@linkintime.co.in**  
**Website : www.linkintime.co.in**

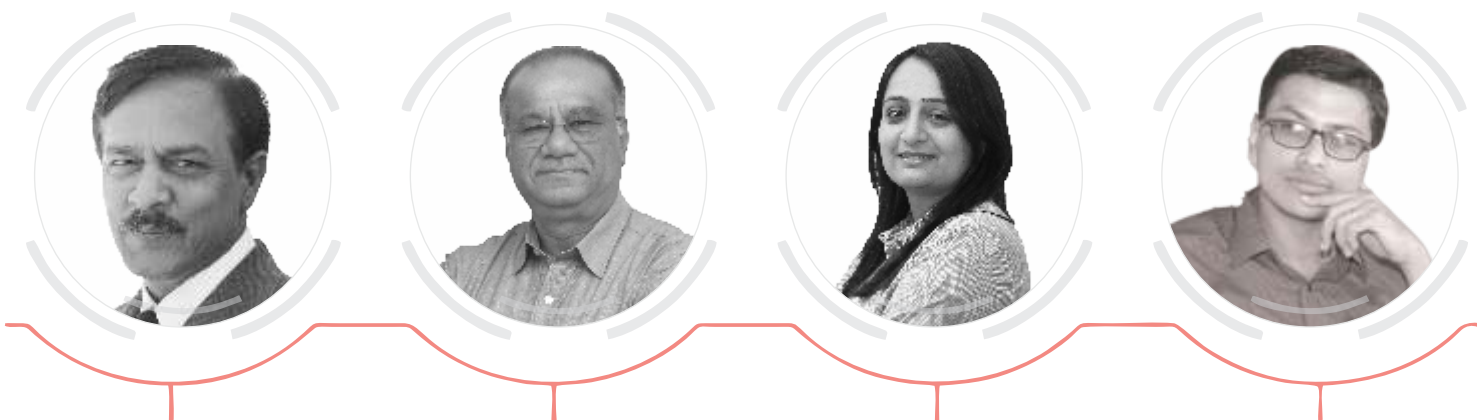
#### Contents

1. Our leadership team	01
2. A letter to share holders	02
3. Vision	04
4. Board of Directors	11
5. Financial Summary	12
6. Notice of AGM	13
7. Directors' Report	25
8. Secretarial Auditor's Report	46
9. Management Discussion and Analysis	50
10. Report on Corporate Governance	57
11. Standalone Financial Statement	74
12. Consolidated Financial Statement	109
14. Tributex	135
15. Proxy Form & Attendance Slip	140

## PERFECT BLEND OF EXPERIENCE AND EXPERTISE

Our Eminent team is responsible for the corporate governance and is ultimately accountable for overall strategy, risk management and financial performance of the company.

The team is led by our Chairman and Managing Director-Mr. R.N.Doshi and is ably assisted by the Executive Team.



**R. N. Doshi**

Chairman & Managing Director

Responsible for the overall operations including production, new developments and services, is the co-founder of this company. He has over 35 years of experience in plastic processing, machinery manufacturing, engineering and product innovation and development. He is adept in selection of world class inputs for our products, cost reduction and inventory control to ensure our continued competitiveness. His extensive management experience includes several start-ups, plant installations and significant processing improvements in record time.

**Sunil Jain**

Executive Director  
(Professional)

Overall marketing, business development, diversification and growth strategies at the corporate level are his responsibilities. He has more than 40 years of experience in the flexible packaging industry and plastic extrusion machinery industry. He has successfully developed key relationships with our esteemed customers and overseas partners. Prior to joining Rajoo, he has worked with various flexible packaging conversion Units, holding various senior managerial and technical positions. He is a graduate in Mechanical Engineering from BITS (Pilani), a reputed institute of India.

**Khushboo Chandrakant Doshi**

Whole Time Director

Over 11 years of experience in the area of HR, Business Development, Customer Care and Finance. Khushboo is an architect by education and holds a Master's Degree in Industrial Product Design from UK. She is also a "Masters in Management for Entrepreneurs" from IIM Ahmedabad and "Family Businesses" from IIM Bangalore. Sales and Marketing is her passion and has been responsible for establishing brand "Rajoo" in the industry- both in the country and globally. A firm believer in Woman Empowerment, Rajoo Engineers is one of the first companies in Saurashtra Region of Gujarat to employ women in the engineering functions.

**Utsav Doshi**

Whole Time Director

Utsav Doshi, a second generation entrepreneur, joined Rajoo Engineers in 2011 as an Engineer – Vendor Development. He holds a Bachelor's Degree in Mechanical Engineering with a Masters in Polymer technology from HTW Aalen University, Germany. Utsav has cross functional expertise in Design and Operations. Utsav Doshi is an integral part of the senior management and responsible for entire manufacturing activity at REL.

Utsav has technical experience to convert market requirements into technical layout, and having thorough knowledge in manufacturing and Plastic Processing.

“With a continued emphasis on timely delivery, quality control, innovation, empathic customer care and value enhancement of the entire ecosystem, the future looks promising for our Company”



**R N Doshi**

Chairman & Managing Director

## A letter to the shareholder

I start this message with a sincere gratitude to my fellow stakeholders who stood with us in difficult times like these where poor industry sentiment arose from the ban on single use plastic in certain states in India. These environmental issues resulted in pressure, on our Company where the growth in this particular year has taken a hit. However, our order book continues to be robust as our clients did not cancel the orders, only put them on hold until a better clarity emerged and now revival has taken place. Internally, we used this slowdown as an opportunity to go back to the drawing table and framed policies and products that will ensure transformational growth in the coming years.

While ups and downs are part of everyone's life and journey, at Rajoo Engineers Limited, every external challenge has only pushed us to strive harder and set stronger goals. I feel proud today to inform you Rajoo Engineers has collaborated with Kohli Industries, to create a formidable alliance to build and maintain one of the most advanced and versatile Extrusion Coating and Lamination machines, a fast emerging alternate to solvent-less and solvent based for the producers of flexible packaging materials.

Having made a modest start in 1986 our Company has come a long way to become a competitive player globally. Today at Rajoo Engineers, we manufacture and sell variety of plastic production and processing machinery, which are highly regarded by users across the world, for a wide range of application and purpose. Our product lineup in the field includes Monolayer Blown Film Lines, Downward Extrusion Blown Film Lines, Five - Seven-layer Co-Extruded Blown Film Lines and Thermoforming & PS Foam Vacuum Forming Machines and various extruding machines are world class in nature.

Today we also supply a diverse range of blown films which caters into lamination grade films, liquid packaging films, high dart FFS resin sacks films, meat and cereal packaging films, short shelf-life oil packaging films, pharma and medical grade films, and geomembrane chemical/ soap packaging films.

Sensing the changing environment, our Company has also focused on enhancing and further strengthening our Research and Development team by improving our capabilities, offerings, performance and reliability of core products. We continue to contribute to nurture offerings in new business fields based on core and differentiated technologies. We have also engaged in various technology tie ups with renowned global brands in European Countries. Through these efforts, we aim to focus on expanding and upgrading the core technologies while cultivating and growing our business. The effect of these actions will be visible in the coming years and will help our Company to achieve the vision and goals that we have set for ourselves. We are moving towards big ticket size customized extrusion machinery which will improve the efficiency and meet the more specific requirement of our customers.

Moving to FY19 financials, I would like to share that our Company recorded decline in sales of 16.41 % from Rs. 146.51 cr in FY18 to Rs. 122.46 cr in FY19. The sales were affected as in the second half of the year resulting in some of the orders been put on hold by clients on account of plastic ban by the government resulting into poor market sentiments, that reduced the order flow as compared to previous year. The EBIDTA also declined by 32.66% to Rs 14.22 cr, due to decrease in revenue and also higher cost of material consumption as we developed one Extrusion coating line machine and one Tarpaulin machine. The Company registered 35.91% decline in net profit from Rs. 11.89 cr in FY18 to Rs. 7.62 cr in FY19. The plastic ban has impacted our numbers in current financial year, but we are continuously working in order to satisfy the demand personalization in automated machines along with optimized flexibility in terms of precision and design for our machineries.

Our success so far has been driven by our most important asset – our team! I would like to take this opportunity to thank each member of the Rajoo family. I would also like to thank our Clients, Creditors, Banks, Financial Institutions and other Stakeholders, without whose patronage we could not have been where we are.

On my part, I will continue to maintain our focus on increasing our operational efficiencies, enhance the product portfolio, utilizing positive operating cash flows to drive volumes and strengthen our Balance Sheet. Our new journey would be here on to focus transformational growth, thereby taking serious efforts in maximizing returns for all our stakeholders.

R. N. Doshi  
Chairman & Managing Director





“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”



**C. N. Doshi**

Founder & Mentor, Rajoo Engineers Ltd.

## Vision

The above vision is intrinsic to each facet of our operations. And we strive to realize this objective with passion and fervor.

We will continue to achieve through constant innovation in technology and machines, cordial and inspiring work environment for our employees who endeavor to convert ideas into solutions for our customers with ethical business practices.

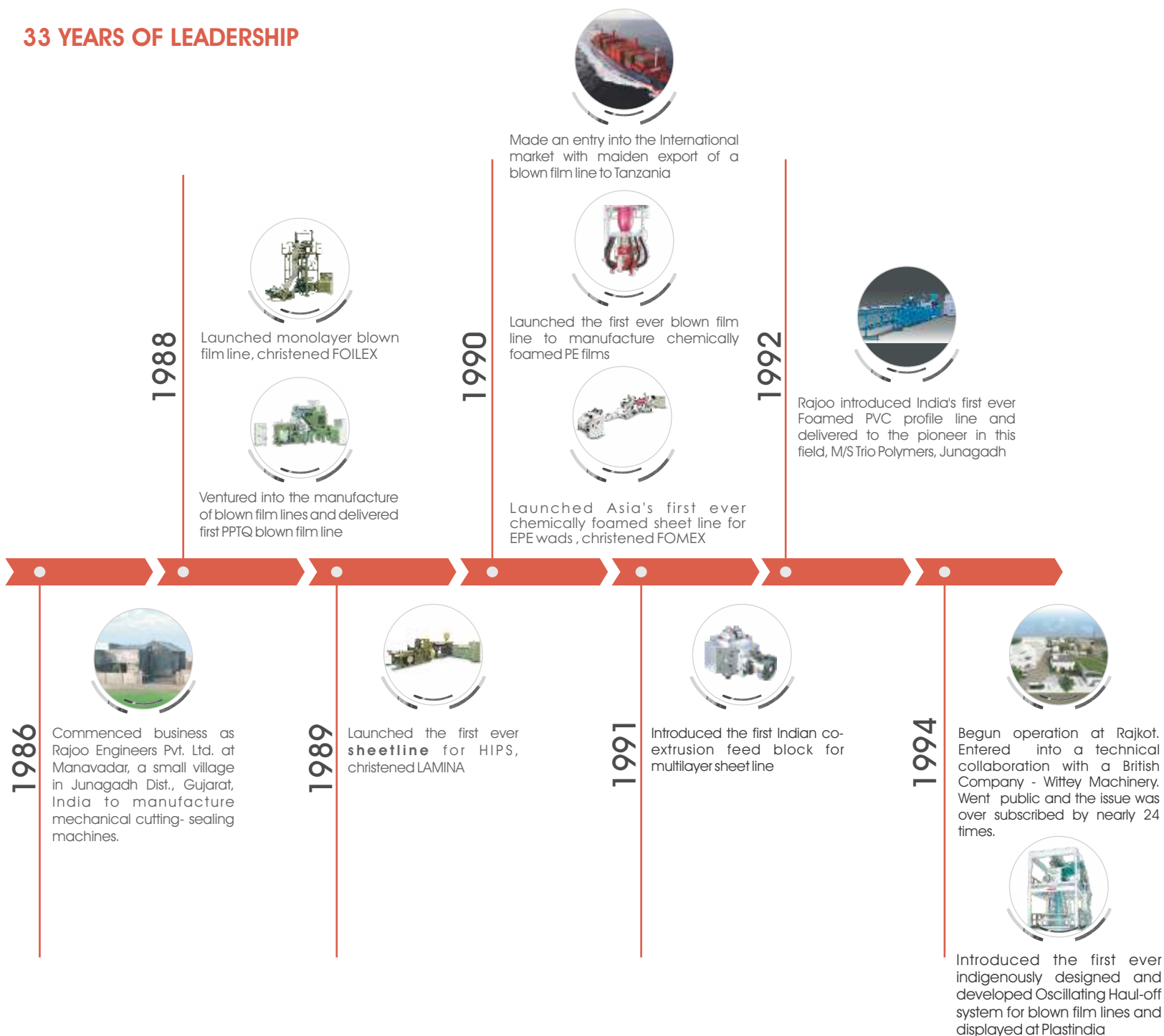
Our co-operation with the polymer industry and with internationally acclaimed rheologists and machine designers enables us to provide technology of the developed nations too at developing countries.

Plastics, a material of choice for over centuries has made deep inroads into all walks of human life, be it food packaging, housing, clothing, automobiles, agriculture, building and construction and a variety of other domains. We strive to contribute to the development of plastics through extrusion. We also strive to contribute to the sustainable use of natural resources as well as energy savings and waste reduction. We aim at providing excellence in sheet and blown film extrusion incorporating world class technology at affordable price levels.

Our obsession for innovation and enthusiasm for understanding of polymers are significant elements which encourage us to achieve our goals and put us above the rest.

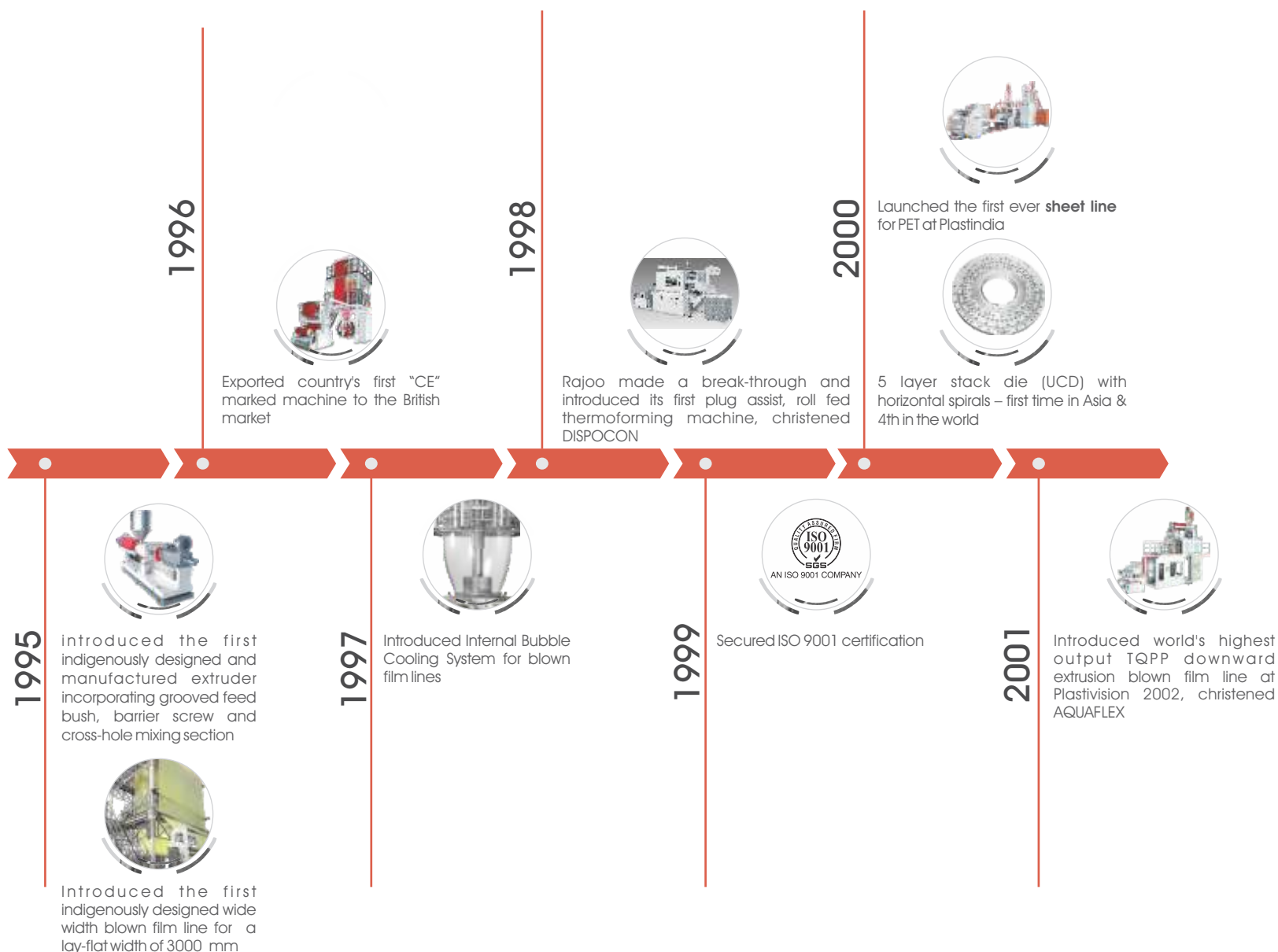
"Excellence in Extrusion" is our Company's maxim and is an expression of our corporate vision and culture which guides us in all that we do.

## 33 YEARS OF LEADERSHIP





## 33 YEARS OF LEADERSHIP



## 33 YEARS OF LEADERSHIP

