



RAJRATAN

OUTPERFORM

INDIA | THAILAND

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RGWL/21-22/

21st July, 2021

To BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400001 Scrip Code – 517522	To National Stock Exchange of India Limited ‘Exchange Plaza’, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Symbol - RAJRATAN
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Subject: Announcement under Regulation 30 (LODR)-Press Release / Media Release

Dear Sir

Please find attached herewith a copy of Press Release dated 21st July, 2021.

Kindly take the above information on your record.

Thanking you,
Yours faithfully,
For **Rajratan Global Wire Limited**

Shubham Jain
Company Secretary & Compliance Officer

RAJRATAN GLOBAL WIRE LIMITED

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CIN No. L27106MP1988PLC004778



Rajratan Global Wire Limited
Q1FY22 Performance Highlights

Strong performance continues, led by good demand in domestic & export markets
Progresses being made on capacity expansion plans

21st July 2021, India: Rajratan Global Wire Ltd (Bloomberg Code: RGW IN | BSE Code: 517522 | NSE Code: RAJRATAN) has announced its audited financial results for the first quarter ended June 2021 (Q1FY22).

Key Financial Performance highlights (Consolidated)

Particulars (Rs. lakhs)	Q1FY22	Q4FY21	Q1FY21*	FY21	FY20
Sales Volumes (tonnes)	19,833	21,381	9,239	71,046	66,356
Revenue	18,229	18,365	6,465	54,654	48,021
EBITDA	3,602	3,242	776	9,211	6,802
PBT	2,875	2,557	201	6,625	4,371
PAT	2,192	2,321	165	5,313	3,304
EPS (Rs)	21.58	22.86	1.62	52.34	32.55
EBITDA Margin (%)	19.76	17.65	12.00	16.85	14.16
PAT Margin (%)	12.02	12.64	2.55	9.72	6.88

**Note: Q1FY21 had faced national lockdown thereby impacting production and sales for 40 days.*

Major developments during the quarter - India

- Installed a new strand pickling line, enhancing the quality of finished goods while moderating costs.
- TPM activity enhanced deep employee engagement and efficiency orientation.
- Modified the coating line to further enhance efficiency.
- Made timely arrangements for logistics (vehicles / containers) related to exports.
- Strengthened environment documentation and reporting.
- Signed MoU with Tamil Nadu state government for setting up of new manufacturing facility in Southern India.

Major developments during the quarter - Thailand

- Installed a new upgraded patenting line to enhance efficiency and environmental friendliness
- Developed additional raw material sourcing points; strengthened logistics and supply chain from India
- Timely deliveries following customer commitment to share logistics costs (win-win)
- Started warehousing construction on opposite land and completed extension for new plating line
- In the process of environmental impact assessment, which focuses on environmental aspects (air, noise, zero liquid discharge, firefighting infrastructure, amongst others)
- Initiated the process and efforts to expand Thailand capacity from 40,000 TPA to 60,000 TPA

Outlook for FY2021-22

- Company is likely to experience increased demand from the domestic and international markets.
- Indian tyre companies are returning to peak capacity utilisations.
- Company intends to broaden its customer base across USA and Europe.
- Land for the company's proposed plant in South India is under finalisation.
- Aim to further enhance capacity utilisation by end FY2021-22.
- Company intends to sustain mid to high teen margins through enhanced efficiencies, operating leverage and cost pass through.

Commenting on the performance, Mr. Sunil Chordia, CMD, Rajratan Global Wire Ltd said

“Despite FY 2021-22 starting off on a challenging note led by an impact from the second wave of Covid-19, the company has delivered strong performance and growth. This was primarily driven by strong demand from domestic tyre manufacturers as well as exports.

Our timely expansion in India in FY20 (to 72,000 TPA) has started bearing fruits for us as we are aiming to increase the capacity utilisation levels over the current year and next year for the expanded capacity at Pithampur, Madhya Pradesh. Similarly, we have now taken up the expansion of our capacity in Thailand from 40,000 TPA to 60,000 TPA owing to our increased traction in the region as well as increasing market share. Post this expansion (expected by end FY22), Rajratan will become the second largest bead wire manufacturer in Asia outside China with a combined capacity of 120,000 TPA (for bead wire).

Rajratan continues to be on the forefront of meeting the requirements of our customers, which has led to some of our key customers according Rajratan with prestigious Vendor Managed responsibility for some of their plants.

We have continued to widen our customer base in both domestic markets (India and Thailand) as well as export markets (USA & Europe).

We have also initiated efforts to set up a manufacturing capacity of an additional 60,000 TPA in Southern India (Tamil Nadu) and will keep you updated on the progress as we move forward.

We continue to “Outperform” and work as a team in the current challenging times to deliver value to our shareholders.”

About Rajratan Global Wire Limited

Rajratan Global Wire Ltd (Bloomberg Code: RGW IN | BSE Code: 517522 | NSE Code: RAJRATAN) is an India headquartered tyre ancillary, manufacturing bead wire, a critical component used in the manufacture of tyres. The company has well established & profitable operations based out of India and Thailand. The company deals with nearly every tyre company in India as its customer. Based out of Indore, Madhya Pradesh, the company has a production capacity of 72,000 TPA of wire (largest bead wire manufacturer) at a single location in India and 40,000 TPA at a single location in Thailand.

The company has embarked on an expansion in Thailand from 40,000 TPA to 60,000 TPA. The Board Of Directors have also approved its plans to evaluate an additional 60,000 TPA plant in Southern India to target domestic as well as export markets. This will be over and above the existing 72,000 TPA in India.

Vision: To become the leading and most preferred bead wire manufacturer and supplier to tyre companies in India and globally

Mission: # To manufacture and supply superior quality products at competitive prices and support it with excellent customer services # To imbibe and constantly develop a culture of excellence and improvement in every aspect of the business we are in # To ensure and enhance safe working conditions for all concerned

Marquee customers:

India: Apollo tyres, ATG, BKT, Ceat, MRF, Bridgestone, JK Tyres, TVS tyres, Suprajit Engineering, Michelin amongst others

Thailand: Sentury Tire, Otani, Deestone, Sumitomo Tyres, Doublecoin, Continental, ZC Rubber, TBB Tiresr, Yokohama amongst others

Exports: Toyo Tyres, EP Tyres, Michelin Camso, Trelleborg, Dunlop, Nexen Tire amongst others

Company signs MOU with Tamil Nadu state Government

With reference and in continuation to the company’s previous communication dated 24th April 2021 ([click here to see exchange notification](#)) with respect to evaluating the possibilities of setting up a new manufacturing facility for tyre bead wire in Southern India, the company has signed a MoU with the government of Tamil Nadu for setting up a new manufacturing facility in Tamil Nadu for manufacture of tyre bead wire ([click here to see exchange notification](#)).

For further information, please contact

Rajratan Global Wire Ltd

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