Tijaria Polypipes Limited

TIJARIA®
AN ISO-9001:2015 CERTIFIED COMPANY
NATIONAL AWARD WINNER

Date: 10/09/2018

To

The Manager,
Department of Corporate Services
BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

Scrip Code: 533629

To,
Listing Compliances,
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Mumbai-400051

Company Symbol: TIJARIA

Subject: Business Update- Chairman's letter.

Dear Sir/ Ma'am

With reference to the above cited subject, Please find enclosed herewith Chairman's letter to shareholders.

The enclosed document is provided for necessary records.

Thanking you,

Yours faithfully
For Tijaria Polypipes Limited

TIJARIA POLYPIPES LIMITED JAIPUR

Alok Jain Tijaria
Chairman & MD

PIPING SOLUTIONS

Regd. Office:
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Jaipur-302013 (Raj.) India
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CIN - L25209RJ2006PLC022828

Regd. Office :-
SP-1-2316, RIICO
Industrial Area, Ramchandrapura
Sitapura Extn., Jaipur-302022

Works:
SP-1-2316, RIICO Industrial Area
Ramchandrapura, Sitapura Extn.
Jaipur-302022 (Raj.) India.

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Dated: 10/09/2018

Dear Shareholder,

Greetings from your team at Tijaria Polypipes Limited!

Last few years have been extremely challenging. The new POY plant brought good cash flows in the initial years and due to the abnormal increase in the raw material prices, POY operations were not profitable, in fact resulted in huge losses. After careful consideration, your team decided to temporarily shut down production for domestic sale but to continue manufacturing POY/DTY for exports only as the same is only viable, as of now. As and when the opportunity exists, production of POY/ DTY shall commence for domestic operations also. Any further developments on the same shall be informed at the appropriate time.

In view of continuing losses in the POY/ DTY segment, cash flows from other segments i.e. polypipes and mink blankets (part of textile segment) were utilized for funding the textile segment losses which resulted in inadequate working capital available for polypipes segment resulting in incurring losses into this segment also. All this resulted into negative cash flows and thus bringing the company's debt into NPA. Post our debt becoming NPA, your team decided to change business strategies and started concentrating on ramping up the polypipes business segment. To tide over the financial crisis, the promoter group has sold part of surplus real estate of your company and has also subscribed to preferential warrants and would infuse funds to the tune of Rs 725 lacs within the statutory period. Your team is seriously working on liquidating the balance real estate assets to further reduce the debt of your company. We are extremely thankful to our bankers who are very co-operative and have given your company a well thought



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out debt restructuring approval, which we have also holistically implemented without any default till date.

In view of an extraordinary thrust given by the government of the day in building infrastructure rapidly, there is ample scope for the company to grow in the plastic segment (polypipes). Our various products in this segment are used in the telecom, irrigation, agriculture and other infrastructure projects. Recently, around second week of July'18, we have added an additional production line of HDPE pipes and shall further ramp up our production facilities in future also, depending upon the order in flows from our customers viz States & Central government, PSU's and private companies. I am happy to report that the current order book in the polypipes segment is Rs 56 crores and orders in pipline (orders bid by us) expected to be finalized in the next two months is approximately around Rs 300 crores. We are confident that a major part of the above shall get converted into confirmed orders in favour of the Company.

Our revenues & EBIDTA have started stabilizing and going forward shall improve, barring unforeseen circumstances.

Thank you for your Trust & Patience

With Warm Regards & Best Wishes,

Sincerely,

TIJARIA POLYPIPES LIMITED JAIPUR

Alok Jain Tijaria

Chairman & MD

Tijaria Polypipes Limited

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