



TIJARIA POLYPIPES LIMITED

A-130 (E), ROAD NO. 9-D, VISHWAKARMA INDUSTRIAL AREA, JAIPUR-13

5TH ANNUAL REPORT

FY 2010-11

BOARD OF DIRECTORS :

Mr. Alok Jain Tijaria, Managing Director
Mr. Vikas Jain Tijaria, Whole-Time Director
Mr. Praveen Jain Tijaria, Whole-Time Director
Mr. Vineet Jain Tijaria, Whole-Time Director
Mr. Pana Chand Jain, Director
Mr. Padam Prakash Som Prakash Bhatnagar, Director
Mr. Pawan Kumar Jain, Director
Mr. Santosh Kumar, Director

FINANCE MANAGER & COMPANY SECRETARY :

Mr. Tej Kumar Jain

AUDITORS :

M/s G.K. Mittal & Associates

Chartered Accountants
Shree Dham, G-1, R-20,
Yudhishter Marg,
C-Scheme, Jaipur.

M/s S.Misra & Associates

Chartered Accountants
3-C, 3rd Floor, Tilak Bhawan,
Tilak Marg,
C-Scheme, Jaipur.

BANKERS:

Bank of India,
Mid Corporate Branch,
Neelkanth Building, Bhawani Singh Road,
C-Scheme, Jaipur.

NOTICE

OF

ANNUAL GENERAL MEETING

Notice is hereby given that the **Fifth Annual General Meeting** of the Members of **TIJARIA POLYPIPES LIMITED** will be held at the Registered Office of the Company at A-130 (E), Road No. 9 D, VKIA, Jaipur, Rajasthan, on Thursday, **the 26th day of May, 2011 at 11.30 A.M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Balance Sheet as on 31st March, 2011 and Profit and Loss Account for the financial year ended on that date, together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend on equity shares for the financial year ended on 31st March, 2011 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT dividend @ 15% i.e. Re. 1.50/- per equity share be and is hereby declared and be paid to those shareholders, whose name(s) appear on the Register of Members on this day, **the 26th day of May, 2011.**"

3. To appoint a Director in place of Shri Vineet Jain Tijaria who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Vikas Jain Tijaria who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT pursuant to section 224 of the Companies Act, 1956 M/s G. K. Mittal & Associates, Chartered Accountants, Jaipur, existing Auditors, be and are hereby re-appointed as Auditors of the company to hold office until conclusion of next Annual General Meeting on a remuneration as may be fixed by Mr. Alok Jain Tijaria, Managing Director, in consultation with M/s G.K. Mittal & Associates and acceptable to them."

6. To appoint Joint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT pursuant to section 224 of the Companies Act, 1956 and in terms of requirements of SEBI (Disclosure and Investor Protection Guidelines), 2000, as amended from time to time, M/s S. Misra & Associates, Chartered Accountants Jaipur, a Peer Reviewed firm, existing Joint Auditors in addition to the existing auditors, M/s G. K. Mittal & Associates, Chartered Accountants, Jaipur, be and are

hereby re-appointed as joint auditors of the company to hold office as such upto conclusion of next Annual General Meeting on a remuneration as may be fixed by Mr. Alok Jain Tijaria, Managing Director, in consultation with M/s S. Misra & Associates and acceptable to them."

SPECIAL BUSINESS:

7. To consider and if thought fit to pass the following resolution, with or without modifications, as a Special Resolutions :

"RESOLVED THAT pursuant to section 31 and other applicable provisions, if any, of the Companies Act, 1956, and subject to confirmation of the Registrar of Companies, Rajasthan, following Clauses of the Articles of Association of the Company, be altered and replaced by the following new clause in its place as under:

Existing Clause 13 (A)(b) is replaced by the following:

The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

New Clause 86 is inserted after the existing Clause 85 as under:

86 TERM OF ISSUE OF DEBENTURE

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

"RESOLVED FURTHER THAT Board of Directors of the company be and is hereby authorised to make an application to the Registrar of Companies, Rajasthan for the said purpose and to do all such acts, deeds and things as may be required in this regard."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT Shri Padamprakash Somprakash Bhatnagar, who was appointed as an Additional Director of the Company by the Board and who holds office under section 260 of the Companies Act, 1956 up to the date of the Annual General Meeting and in respect of whom the Company has received notice under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution :

“RESOLVED THAT Shri Pana Chand Jain, who was appointed as an Additional Director of the Company by the Board and who holds office under section 260 of the Companies Act, 1956 up to the date of the Annual General Meeting and in respect of whom the Company has received notice under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution :

“RESOLVED THAT Shri Pawan Kumar Jain, who was appointed as an Additional Director of the Company by the Board and who holds office under section 260 of the Companies Act, 1956 up to the date of the Annual General Meeting and in respect of whom the Company has received notice under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution :

“RESOLVED THAT Shri Santosh Kumar, who was appointed as an Additional Director of the Company by the Board and who holds office under section 260 of the Companies Act, 1956 up to the date of the Annual General Meeting and in respect of whom the Company has received notice under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

**By Order of the Board
For Tijaria Polypipes Limited**

Date : May 02, 2011
Place : Jaipur

(T. K. Jain)
Finance Manager & Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A BLANK FORM OF PROXY IS ENCLOSED WHICH, IF USED, SHOULD BE RETURNED TO THE COMPANY DULY FILLED UP NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING DULY STAMPED AND SIGNED.
2. Explanatory Statements pursuant to section 173(1) of the Companies Act, 1956 in respect of item no. 7 to 11 are appended herewith.
3. The date of Annual General Meeting i.e. **26th day of May, 2011** is fixed as record date for payment of dividend, if declared.



EXPLANATORY STATEMENT PURSUANT SECTION 173(1) OF THE COMPANIES ACT, 1956

Item No. 7:

The existing Clause of Articles of Association of the Company needs to be altered/ modified/added a new clause to make the articles of association of the Company fully complied with the clauses of listing agreement. The resolution under point no. 7 has been placed accordingly.

The alteration in Articles of Association requires approval of members pursuant to the provisions of Section 31 and other applicable provisions of the Companies Act, 1956 by special resolutions to be passed by the members in general meeting. Accordingly the resolution as set out at item No. 7 is placed for approval of members as a special resolution, with or without modification.

None of the Director of the Company is interested in this resolution.

Item No. 8 to 11

The Board of Directors, pursuant to Section 260 of the Companies Act, 1956, had appointed Mr. Padamprakash Somprakash Bhatnagar, Mr. Pana Chand Jain, Mr. Pawan Kumar Jain and Mr. Santosh Kumar as an Additional Directors of the Company in the meeting of the Board held on 21st day of July, 2010. Their terms of appointment are going to expire at the ensuing Annual General Meeting of the company. However, The Company has received Notices under section 257 of the Companies Act, 1956 from a member proposing candidature of Mr. Padamprakash Somprakash Bhatnagar, Mr. Pana Chand Jain, Mr. Pawan Kumar Jain and Mr. Santosh Kumar for the Directorship of the company. Your Board of Directors is of the opinion that appointment of Mr. Padamprakash Somprakash Bhatnagar, Mr. Pana Chand Jain, Mr. Pawan Kumar Jain and Mr. Santosh Kumar as Directors will be beneficial for the company. Hence, these resolutions are placed before the members for their consideration as per item no. 8 to 11 and if thought fit to pass as an ordinary resolutions.

None of the Directors is concerned or interested except the directors as mentioned in the resolution.

**By Order of the Board
For Tijaria Polypipes Limited**

Date : May 02, 2011

Place : Jaipur

(T. K. Jain)

Finance Manager & Company Secretary

DIRECTORS' REPORT

The Shareholders,
Tijaria Polypipes Ltd.,
Jaipur.

Your Directors have pleasure in presenting the **Fifth Annual Report** and the Audited Accounts for the financial year ended on 31st March, 2011.

1. FINANCIAL RESULTS

The financial results of the Company for the financial year 2010-11 are as under:

Particulars	(Rs. in Lacs)	
	Current Yr 2010-11	Previous Yr 2009-10
Gross Turnover	11859.85	11035.49
Profit before interest & depreciation	1373.77	1347.71
Profit before tax	1038.62	1032.81
Profit after tax	690.31	674.05
Appropriation :		
Equity Dividend	204.39	123.15
Corporate Dividend Tax	33.16	20.93
General Reserve	34.52	33.64
Retained Profit	418.24	495.06
Surplus Carried Forward	1191.55	773.31
EPS (Rs./share)	5.26	5.46

2. INDUSTRY OVERVIEW

The Indian Pipe Industry tuned for the piping hot market. India has become the global pipe manufacturing hub primarily due to its lower cost, high quality and geographical advantages. Additionally, Indian companies have acquired global accreditations and certifications which make them preferred suppliers to most of the world's top oil and gas companies in the Middle East, North America and Europe. .

As most of the Indian pipe manufacturers are converters, the industry is highly Raw Material (RM) intensive with the RM cost accounting for more than 70-80% of the total cost for PVC and other pipe companies. Indian companies produce a wide range of plastic pipes which are used in various critical and non-critical applications. With the low-cost and high-quality products supplemented by various international certifications, Indian companies have augmented their export sales over the last three to four years.

Indian pipe industry to continue growth in the next decade on the back of emphasis of Government on infrastructure development, increase in cultivated area for agriculture produce, water & sewerage development, telecom reach in remote areas etc.

3. WORKING AND FUTURE PROSPECTS

During the year under review, your company achieved turnover of Rs. 11859.85 lacs in current year as against Rs. 11035.49 lacs in previous year which is marginally higher. The net profit achieved Rs. 690.31 lacs as against Rs. 674.05 lacs in the previous year.

The Company is presently progressing towards implementation of the expansion cum diversification project which will be growth drivers to the company in the coming years. In the coming year, your company expects to commence the production of PET Sheets, POY, DTY, Zippers, Mink Blankets, Monofilament etc. which will give higher returns to the investors.

4. INITIAL PUBLIC OFFER

In order to partly fund the expansion cum diversification project, the company is in the process of coming up with an Initial Public Offer (IPO) of its equity shares subject to the regulatory approvals. The shares of the company are proposed to be listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

5. DIVIDEND AND CAPITALISATION OF PROFITS

Having regard to the satisfactory performance of the company during the year under review, your directors recommend to declare a dividend @ 15% i.e. Re.1.5/- per equity share. The dividend will be paid to those members, whose name will be appearing on the Register of Members on **26th day of May, 2011**. The total outflow on account of payment of dividend will be Rs. 2,37,55,017/- (including Rs. 33,15,759/- towards corporate dividend tax).

6. ADEQUACY OF INTERNAL CONTROLS

The Company has proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded, and reported correctly.

The internal control system is supplemented by extensive programme of internal audit, review by management, and documented policies, guidelines and procedures.

7. FIXED DEPOSITS

The Company has not accepted/renewed any deposits from public; hence the applicable provisions of the Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the Company. The unsecured loans have, however, been raised from the promoters and their relatives which are under stipulations of the term loans.

8. DIRECTORS

Mr. Padamprakash Somprakash Bhatnagar, Mr. Pana Chand Jain, Mr. Pawan Kumar Jain and Mr. Santosh Kumar was appointed as additional Directors from 21st July, 2010 and at the ensuing Annual General Meeting, has been proposed to be appointed as Directors of the Company.

Mr. Vineet Jain Tijaria, Executive Director and Mr. Vikas Jain Tijaria, Executive Director retire by rotation at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment.

9. HUMAN RESOURCE DEVELOPMENT

Your company has emphasis on building and sustaining an excellent organization climate based on human performance. Your company firmly believes that a dedicated work force constitutes the primary source of sustainable competitive advantage. Performance management is the key word for the company. The company has developed an environment of harmonious and cordial relations with his employees.

The relationship with the employees / workers of the company generally remained cordial during the year under review. The company time to time, organises training and development programme for the employees / workers.

10. DISCLOSURE UNDER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956

In terms of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the required information are furnished in the annexure to this report.

11. DISCLOSURE UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956

Information pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, is not applicable to the Company as none of the employees is covered under the provisions of the said section.

12. AUDITORS AND THEIR OBSERVATIONS

M/s G.K. Mittal & Associates, Chartered Accountants, hold office of Auditors and M/s S. Misra & Associates, Chartered Accountants, hold office of Joint Auditors until the conclusion of ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

The notes to the accounts referred to in the Auditors' Report are self- explanatory and therefore do not call for any further comments.

13. AUDIT COMMITTEE

The Board has constituted audit Committee comprising three non-executive independent directors. Sh. Santosh Kumar, Director acted as Chairman of the Audit Committee and Sh. Pawan Kumar Jain, Director and Sh. Padam Prakash Somprakash Bhatnagar, Director were the members of the Committee. Four such meeting were held during the year under review.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Director's responsibilities statement, it is hereby confirmed that:

- I. In the preparation of Annual Accounts for the Financial Year ended on 31st March, 2011, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.

- II. The Directors had selected such Accounting Policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for the year under review.
- III. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The Directors have prepared the accounts for the financial year ended on 31st March, 2011, ongoing concern' basis.

15. ACKNOWLEDGEMENTS

The Board of Directors of your Company wishes to express gratitude for the co-operation, guidance and support received from various Ministries and Departments of the Government of India, the State Government of Rajasthan, Bank of India, Local Authorities and other agencies. The Board of Directors would like to thank the shareholders and the investors for their continued support.

The Directors of your company are also pleased to place on record their appreciation for the dedicated and sincere services rendered by the officers, staff and other employees at all levels.

**BY ORDER OF THE BOARD
FOR TIJARIA POLYPIPES LIMITED**

**DATE: MAY 02, 2011
PLACE: JAIPUR**

**(ALOK JAIN TIJARIA)
MANAGING DIRECTOR**

**(VINEET JAIN TIJARIA)
EXECUTIVE DIRECTOR**

Annexure to the Directors' Report

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year

Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo
A. Conservation Of Energy

- (a) Energy Conservation Measures taken :
The Company is very conscious about conserving the energy resources and takes adequate steps to rationalize the consumption of energy.
- (b) Additional investments and proposals, if any, being implemented for reduction in consumption of energy :
The company is continued about taking various measures for conservation of energy.
- (c) Impact of the measures at (a) and (b) above :
The measures taken above have resulted in optimizing the energy consumption and saving in cost.
- (d) Total Energy Consumption And Energy Consumption Per Unit As Per Form 'A' Given Below :

Form 'A'

A) Power And Fuel Consumption		
	2010-11	2009-10
1. Electricity :		
(A) Purchased Units (Kwh)	3254240	3755850
Total Amount (Rs. In Lacs)	156.19	173.01
Rate Per Unit (Rs.)	4.80	4.61
(B) Own Generation :		
I) Through Diesel Generator :		
Unit (Kwh)	84003	132796
Units Per Ltr. of Diesel Oil	2.87	3.10
Total Amount (Rs. In Lacs)	11.61	16.24
Cost Per Unit (Rs.)	13.82	12.20

II) Through Steam/Turbine Generator :		
Unit (Kwh)	--	--
Units Per Ltr. Of Fuel Oil/Gas	--	--
Cost Per Unit (Rs.)	--	--
2. Coal (Charcoal) :		
Quantity (Tones)	--	--
Total Cost (Rs. In Lacs)	--	--
Average Rate (Rs. Per Kg.)	--	--
3. Furnace Oil :		
Quantity (K. Ltrs.)	--	--
Total Cost (Rs. In Lacs)	--	--
Average Rate (Rs. Per Ltr.)	--	--
4. Others/ Internal Generation (Lpg And Other Gases) :		
Quantity (Kgs.)	--	--
Total Cost (Rs. In Lacs)	--	--
Rate Per Unit (Rs.)	--	--

B) Consumption Per Unit Of Production

	Standards (If any)	2010-11	2009-10
I) Electricity	-	0.46	0.57
II) Furnace Oil	-	--	--
III) Coal	-	--	--
IV) Others – LPG & Other Gases	-	--	--

B. Technology Absorption

- (a) Efforts Made In Technology Absorption As Per Form 'B' Is Given Below :

Form 'B'

Research & Development (R&D)

Research has been made for "Searchable Pipes" in our R & D department

1. Once the HDPE pipes are installed sub surface, it is very difficult to detect the position of the pipes. For this we have developed an innovative pipe known as: **Searchable Pipe**. These pipes can be searched easily even after installation with the help of metal detectors or by passing electricity. The company has also applied for patent registration for this invention.

2. We have innovated a new technology of column pipes. Traditionally in submersible bore wells, Gi pipes were being used. But after 3 or 4 years these pipes burst due to rust or erosion and we need to replace the pipes. To solve this problem, extrusion practice was developed in our R & D department. We made PVC pipes with heavy wall thickness and used square thread in place of normal thread so that these pipes can sustain the weight, can provide adequate support and prevent slippage. These pipes are also not effected by rust or erosion. These pipes are being called column pipes. For proper protection of joint we developed locking ring which would prevent unlocking of thread so as to provide safety to entire column. Now we have also launched the same in the market. Our customers also found this method better than the conventional method.

1. Benefits derived as a result of the above R&D :
New improved invention, saving of cost and Brand image in the industry.
2. Future plan of action: On going research and development for innovative products and improvement in production process.
3. Expenditure on R&D :

S.No.	Particulars	2009-10	2008-09
A)	Capital	561754	--
B)	Recurring	860590	30641
	Total	1422344	30641

Technology absorption, adaptation and innovation

1. Efforts in brief made towards technology absorption, adaptation and innovation:
 - We have adopted a technology which encourages pollution free environment. We have installed a line where we are using waste bottles (which are highly being used in India for drinking water and cold drinks) and after recycling, converting them into pet flakes which serves as raw material for many products. Thus encouraging pollution free environment.
2. Benefits derived as a result of the above efforts :

Product improvement, Cost reduction, Product development, pollution free environment

3. In case of imported technology (imported during the last five years reckoned from the beginning of the financial years) following information may be furnished
- a) Technology imported : NA
 - b) Year of import :NA
 - c) Has technology been fully absorbed : NA
 - d) If not fully absorbed area where this has not taken : NA

Place reasons thereof and future plan of action: NA

C. Foreign exchange earnings and outgo

- a) Activity relating to export, initiatives taken to increase exports, development of new export market for products and services and export plans:

Nil

- b) Earnings and outgo

	2010-11	(Amount in Rs.) 2009-10
Earnings :-		
Foreign exchange earned	21182114	12895029
Outgo:-		
On recurring account	14003286	3251878
On capital account	31155228	3334472

**By Order Of The Board
For Tijaria Polypipes Limited**

Date : May 02,2011
Place: Jaipur

(Alok Jain Tijaria)
Managing Director

(Vineet Jain Tijaria)
Executive Director

AUDITORS' REPORT

To
The members of
Tjaria Polypipes Limited,
JAIPUR.

1. We have audited the attached Balance Sheet of M/s **Tjaria Polypipes Limited** (the "Company") as at 31st March, 2011, the related Profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order, to the extent applicable to the company.
4. Further to our comments in the Annexure referred to in paragraph 3 above:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books;
 - (c) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by the report are in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the directors, as on April 30, 2011 and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to the explanations and certificates dated 30th April 2011 given by the management of the Company to us, the said financial statements together with the notes thereon and attached thereto give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In the case of balance sheet, of the state of affairs of the company as at 31st March, 2011;
 - (ii) In the case of profit and loss account, of the profit of the company for the year ended on that date;

(iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For S. MISRA & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN - 004972C

For G.K. MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN - 05842C

(SUNIL SHARMA)
PARTNER
M. No. - 408683

(JOGENDRA SINGH SHEKHAWAT)
PARTNER
M. No. - 079348

DATE : MAY 2, 2011
PLACE : JAIPUR

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE
MEMBERS OF TIJARIA POLYPIPES LIMITED**

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
b) According to the information and explanation given to us most of the fixed assets of the company have been physically verified by the management during the year and to the best of our knowledge, no serious discrepancies were noticed on such verification.
c) During the year under audit, substantial part of the fixed assets has not been disposed off by the Company. However, old vehicles out of fixed assets were sold during the year under audit. Though, the said sale does not affect going concern status of the company as the same has been done towards replacement and expansion requirements.
2. a) As explained to us, the inventory of raw material, finished goods and stores etc. has been physically verified during the year by the management. In our opinion, the frequency of physical verification is reasonable.
b) The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
c) On the basis of examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification of the same carried out by the management of the company.
3. a) The company has taken unsecured loans from **eleven persons / parties** listed in the register maintained under section 301 of the Companies Act, 1956 and three group Companies. The balance at the end of the reporting period aggregated to **Rs. 1,74,45,559/-**.
b) These unsecured loans & temporary advances are interest free & have no prescribed repayment schedule. As explained to us by the management, other terms & conditions of

these unsecured loans & temporary advances are not prejudicial to the interest of the Company.

- c) In view of above, our reporting under para c & d of this clause is irrelevant.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchases, fixed assets and sales. No major weakness was noticed in the internal control system during our course of audit.
5. a) According to information and explanations provided by the management, the company did not enter into any transaction that need to be entered into the register maintained under section 301, therefore our reporting about the same under para a and b of this clause is irrelevant.
6. As per the information and explanations given to us, the company has not accepted deposits attracting the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion, the company's present internal audit system is commensurate with its size and nature of business.
8. In our opinion, the maintenance of cost records has not been prescribed for the company by the Central Government under section 209 (1) (d) of the Companies Act, 1956 (1 of 1956).
9. a) According to the books and records as produced and examined by us in accordance with Generally Accepted Auditing Practices in India and also based on management representations, undisputed statutory dues in respect of provident fund, income tax, service tax, VAT, excise duty, ESI and other material statutory dues have generally been regularly deposited by the company during the period under review with the appropriate authorities in India.
b) According to information and explanations given to us, no undisputed amounts payable in respect of income tax, excise duty, service tax, VAT and excise duty were outstanding as on 31st March, 2011 for a period of more than six months from the date same became payable.
10. The company does not have any accumulated losses, nor it has incurred any cash losses during the year ended on 31.03.2011 or in the immediately preceding financial year, hence our comments on erosion of net worth are not applicable.
11. As observed by us and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to its financial institution or bank.
12. Since the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures & other securities. Hence, we have no comments to offer under this clause.
13. As per the information and explanations given to us, no provision of any special statue including Chit Fund etc. is applicable to the Company. Since the Company is not a Nidhi / Mutual benefit fund / society, other provisions of CARO 2003 clause xiii (a), (b) (c) & (d) are not applicable.
14. As per the information and explanations given to us, the Company is not dealing in Shares, Securities, Debentures or other investments, hence, our comments on maintenance of records of transactions of such contracts are not applicable.

15. Since the company has not given any guarantee in respect of loans taken by others to any bank or financial institutions, hence our comments as regards terms and conditions of such guarantee are irrelevant.
16. On the basis of review of utilization of funds pertaining to term loans on overall basis and related information as made available to us, the term loans raised by the Company have been applied for the purpose for which they were raised.
17. As observed by us and as per the information and explanations given to us, we are of the opinion that the funds raised on short-term basis have not been used for long-term investment and vice-versa.
18. Based on our examination of records and the information provided to us by the management, we report that the company has made preferential allotment of 13,10,770 Equity Shares (face value of Rs. 10/- per Equity Share at a premium of Rs. 55/- per share, involving a total amount of Rs. 8,52,00,050/-) to M/s Tijaria Vinyl Pvt. Ltd. which is a party covered in the register maintained under section 301 of the Act. As explained to us, the said allotment is not prejudicial to the interest of the Company.
19. Since no debentures were issued by the company, hence the question of creation of security in this respect does not arise.
20. Since no money has been raised by the company by means of public issue hence the question of disclosure of same in financial statements and verification of the same does not arise.
21. Based upon the audit procedures performed and information and explanations given to us by the management, we report that no fraud on or by the company has been noticed or reported during the half year under audit or even till the date of audit.

For S. MISRA & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN - 004972C

For G.K. MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN - 05842C

(SUNIL SHARMA)
PARTNER
M. No. - 408683

(JOGENDRA SINGH SHEKHAWAT)
PARTNER
M. No. - 079348

DATE : MAY 2, 2011
PLACE : JAIPUR

TIJARIA POLYPIPES LIMITED
BALANCE SHEET

as on March 31, 2011

	SCHEDULE NO.	AMOUNT (IN ₹)	
		As at 31.03.2011	As at 31.03.2010
I. SOURCES OF FUNDS			
1. Shareholders Funds :			
(a) Share Capital	1	136261720	82102680
Share Application Money		0	75000000
(b) Reserves & Surplus	2	225172947	148856191
2. Loan Funds :			
(a) Secured Loans	3	306752763	136385861
(b) Unsecured Loans	4	17445559	0
3. Deferred Tax Liability		225883	301058
		685858872	442645790
II. APPLICATION OF FUNDS			
1. Fixed Assets			
(a) Gross Block	5	238841048	105675871
(b) Less : Depreciation		37151492	28716964
(c) Net Block		201689556	76958907
(d) Capital Work in Progress (Including Advances)		127724360	29965498
2. Current Assets, Loans & Advances	6		
(a) Inventories		85753534	108366890
(b) Sundry Debtors		324538933	287074720
(c) Cash & Bank Balances		30763027	25000246
(d) Loans & Advances		83526788	27239853
		524582282	447681709
Less : Current Liabilities & Provisions	7	171909923	112197677
Net Current Assets		352672359	335484032
3. Miscellaneous Expenditures (To the extent not written off)			
(a) Preliminary & Capital Issue Expenses		3772597	237353
		685858872	442645790
Significant Accounting Policies & Notes to Accounts	16		

The schedules referred to above and Notes to Accounts form an integral part of the Balance Sheet.

In terms of our report of even date

For S.MISRA & ASSOCIATES

Chartered Accountants
FRN : 04972C

For G.K. MITTAL & ASSOCIATES

Chartered Accountants
FRN : 05842C

For TIJARIA POLYPIPES LIMITED
(SUNIL SHARMA)

Partner
M. No. 408683

(JOGENDRA SINGH SHEKHAWAT)

Partner
M. No. 079348

(ALOK JAIN TIJARIA)

Managing Director

(VINEET JAIN TIJARIA)

Executive Director

DATE : MAY 2, 2011
PLACE : JAIPUR
(TEJ KUMAR JAIN)

Finance Manager & Company Secretary

TIJARIA POLYPIPES LIMITED
PROFIT & LOSS ACCOUNT

for the year ended on March 31, 2011

	SCHEDULE NO.	AMOUNT (IN ₹)	
		For the Year ended on 31.03.2011	For the Year ended on 31.03.2010
I. INCOME :			
Sales		1185984567	1103549314
Misc.Income	8	6886514	6944832
Increase / (Decrease) in Stock	9	(21234933)	62568719
		1171636148	1173062865
II. EXPENDITURE :			
Material Consumed	10	868906513	904837546
Manufacturing Expenses	11	92115893	61882576
Administrative Expenses	12	12824152	12849758
Personnel Expenses	13	16744696	16358318
Selling & Distribution Expenses	14	41716224	40296081
Financial Expenses	15	24754928	22326945
Depreciation		10712154	11230332
		1067774560	1069781556
Profit for the Year		103861588	103281309
Less: Provision For Taxation			
- Current Tax		34906000	37250000
- Deferred Tax		(75175)	(1373758)
Profit After Tax		69030763	67405067
Prior Period Items		0	126652
Profit available for Appropriation		69030763	67278415
Less : Dividend		20439258	12315402
Less : Corporate Dividend Tax		3315759	2093003
Less : Transfer to General Reserve		3451538	3363921
Balance Profit After Appropriation		41824208	49506089
Balance Profit B/F from last year		77330732	27824643
Balance carried to Balance Sheet		119154940	77330732
Basic and Diluted Earning Per Share			
Nominal Value of each share Rs. 10			
Earning per share - Basic		5.26	5.46
- Diluted		5.26	5.46
Significant Accounting Policies & Notes to Accounts	16		

The schedules referred to above and Notes to Accounts form an integral part of the Profit and Loss Account.

In terms of our report of even date

For **S.MISRA & ASSOCIATES**

Chartered Accountants

FRN : 04972C

For **G.K. MITTAL & ASSOCIATES**

Chartered Accountants

FRN : 05842C

For **TIJARIA POLYPIPES LIMITED**
(SUNIL SHARMA)

Partner

M. No. 408683

(JOGENDRA SINGH SHEKHAWAT)

Partner

M. No. 079348

(ALOK JAIN TIJARIA)

Managing Director

(VINEET JAIN TIJARIA)

Executive Director

DATE : MAY 2, 2011

PLACE : JAIPUR

(TEJ KUMAR JAIN)

Finance Manager & Company Secretary

TIJARIA POLYPIPES LIMITED
CASH FLOW STATEMENT

For the year ended 31.03.2011

		Amount (In ₹)
1. Cash Flow From Operating Activities		
Net Profit before tax	103861588	
Add:- (i) Depreciation	8434528	
(ii) Preliminary expenses W/o	137352	
(iii) Interest Paid	24754928	
Less:(i) Profit on sale of Fixed Assets	424467	
(ii) Interest Received	2225309	
Cash from Operating Activities before changes in Working Capital	134538620	
Changes in Working Capital		
- Increase / (Decrease) in Inventories	22613356	
- Increase / (Decrease) in Debtors	(37464213)	
- Increase in Loans & Advances	(56286935)	
- Increase in Current Liabilities	59712246	
Cash Generated from Operating Activities	123113074	
Less:- Tax paid during the year	34830825	
		88232249
2. Cash Flow From Investing Activities		
Fixed Assets Purchased (incl. CWIP)	(230924039)	
Proceeds from sale of Fixed Assets	424467	
Interest Received	2225309	
Net Cash Outflow from Investing Activities		(228274263)
3. Cash Flow From Financing Activities		
Increase in Secured Loans	170366902	
Increase in Unsecured loans	17445559	
Increase in share application money	(75000000)	
Increase in share capital	54159040	
Increase in Share Premium	31041010	
Increase in DTL	(75175)	
Preliminary Expenses Incurred	(3672596)	
Interest paid	(24754928)	
Dividend paid (incl. CDT)]	(23755017)	
Net Cash Inflow from Financing Activities		145754795
Net Increase/ (Decrease) in Cash & Cash Equivalents		5732781
Cash & Cash Equivalents at the beginning of the year		25000246
Cash & Cash Equivalents at the end of the year		30763027

In terms of our report of even date

For S.MISRA & ASSOCIATES

Chartered Accountants

FRN : 04972C

For G.K. MITTAL & ASSOCIATES

Chartered Accountants

FRN : 05842C

For TIJARIA POLYPIPES LIMITED

(SUNIL SHARMA)

Partner

M. No. 408683

(JOGENDRA SINGH SHEKHAWAT)

Partner

M. No. 079348

(ALOK JAIN TIJARIA) (VINEET JAIN TIJARIA)

Managing Director

Executive Director

DATE : MAY 2, 2011

PLACE : JAIPUR

(TEJ KUMAR JAIN)

Finance Manager & Company Secretary

TIJARIA POLYPIPES LIMITED
SCHEDULES FORMING PART OF ANNUAL ACCOUNTS

	(Amount IN ₹)	
	As On 31.03.2011	As On 31.03.2010
SCHEDULE 1 - SHARE CAPITAL		
Authorised Share Capital 2,50,00,000 (Previous Year 1,00,00,000) Equity Shares of Rs. 10/- each	250000000	100000000
Issued, Subscribed & Paid-up Capital 1,36,26,172 (Previous Year 82,10,268) Equity Shares of Rs.10/- each, fully paid-up (Out of the above, 41,05,134 Equity Shares of Rs. 10/- each fully paid up allotted as Bonus shares in F.Y. 2010-11) and; (Out of the above, 41,05,134 Equity Shares of Rs.10/- each fully paid up allotted as Bonus shares in F.Y. 2008-09)	136261720	82102680
	136261720	82102680
SCHEDULE 2 - RESERVES & SURPLUS		
Profit & Loss Account	119154940	77330732
General Reserve	9127837	5676299
Share Premium Account	137941510	65849160
Less : Bonus Shares allotted out of Share Premium	41051340	0
	96890170	65849160
	225172947	148856191
SCHEDULE 3 - SECURED LOANS		
Term Loans from Bank of India	69380423	32427223
Working Capital From Bank of India	150010120	101545396
Vehicle Loans (Secured by way of hypothecation of respective vehicles)	3520240	2413242
Deferred Development Charges (RIICO)	83841980	0
	306752763	136385861
SCHEDULE 4 - UNSECURED LOANS		
From Directors & their relatives	14945559	0
From Corporates	2500000	0
	17445559	0

(A) Security for Term Loans
i. Security (Primary & Collateral)

- Equitable Mortgage* of the property in the name of M/s Tijaria Polypipes Ltd. situated at Plot No. A-130(E), Road No. 9 D, VKI Area, Jaipur.
- Equitable mortgage* of land & building in the name of M/s Tijaria Vinyl Pvt. Ltd. situated at Plot No. A-130(H), Road No. 9 D, VKI Area, Jaipur.
- Equitable Mortgage* of Resort Land in the name of M/s Tijaria Polypipes Ltd and M/s Tijaria Industries Ltd. situated at Khasra No. 1356 village Daulatpura, Teh Amer, Jaipur.
- Equitable Mortgage* of residential house situated at F-32, Ghiya Marg, Bani Park, Jaipur
- Equitable Mortgage* of Industrial Land & Building in the name of M/s Tijaria Polypipes Ltd., situated at Plot No. SP-1-2316, Sitapura Extn., Ramchandrapura, Jaipur (Letter of Comfort issued by Bank of India to RIICO towards its deferred payments of installment and interest against Land);
- Equitable Mortgage* of Industrial Land and Building in the name of M/s Tijaria Polypipes Ltd., situated at Plot No. F-2243, Sitapura Extn., Ramchandrapura, Jaipur (Letter of Comfort issued by Bank of India to RIICO towards its deferred payments of installment and interest against Land).
- Hypothecation* of all plant & machineries, miscellaneous fixed assets, furniture & fixtures of the Company

ii. Guarantees

- Corporate Guarantee*: Corporate Guarantee, jointly & severally, of two group companies, M/s Tijaria Industries Ltd., M/s Tijaria Vinyl Pvt. Ltd.
- Personal Guarantee*: Personal Guarantee, jointly & severally, of Alok Jain Tijaria, Vikas Jain Tijaria, Praveen Jain Tijaria, Vineet Jain Tijaria, Smt. Anu Jain, Smt. Reema Jain, Smt. Poornima Jain, Smt. Sonal Jain and Mr. Ramesh C. Jain.

(B) Security for Working Capital
i. Security (Primary & Collateral)

- Hypothecation of stocks, book debts and entire current assets of the Company.
- Pledge of TDRs available with bank against margin of Letter of Credits / Bank Guarantees. Extension of charge of all securities available for term loans.

ii. Guarantees

- Corporate Guarantee*: Corporate guarantee, jointly & severally, of two group companies, M/s Tijaria Industries Ltd., M/s Tijaria Vinyl Pvt. Ltd.
- Personal Guarantee*: Personal Guarantee, jointly & severally, of Alok Jain Tijaria, Vikas Jain Tijaria, Praveen Jain Tijaria, Vineet Jain Tijaria, Smt. Anu Jain, Smt. Reema Jain, Smt. Poornima Jain, Smt. Sonal Jain and Mr. Ramesh C. Jain.



TIJARIA POLYPIPES LIMITED
A-130 (E), ROAD NO. 9-D, VISHWAKARMA INDUSTRIAL AREA, JAIPUR-13

SCHEDULE 5 - FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Block			
	As at 01.04.2010	Additions	Sales / Deletion	As at 31.03.11	Upto 01.04.2010	For the Year	Written Back	Upto 31.03.11	As at 31.03.11	As at 31.03.10
> Land	5300260	128139196	0	133439456	0	0	0	0	133439456	5300260
> Building	10493327	352467	0	10845794	2772281	806000	0	3576281	7267513	7721046
> Plant & Machinery	78865700	3778631	1500000	81144331	21346520	8010400	448884	28908036	52236295	57519180
> Computers	1503629	339372	0	1843201	885029	301202	0	1186231	658970	618800
> Electrical Installations	513511	0	0	513511	125056	54034	0	179090	334421	388455
> Furniture & Fixtures	1119792	145727	0	1265519	248305	162586	0	410891	854628	871487
> Office Equipments	1896909	348832	0	2245741	503726	207240	0	710966	1534775	1393183
> Vehicles	5982543	4515227	2954275	7543495	2836047	1170692	1828742	2177997	5365498	3146496
	105675871	137619452	4454275	238841048	28716964	10712154	2277626	37151492	201689556	76958907
Capital Work in Progress (Including Advances)	0	0	0	0	0	0	0	0	127724360	29965498
Total	105675871	137619452	4454275	238841048	28716964	10712154	2277626	37151492	329413916	106924405
Previous Year	95104344	11734740	1163213	105675871	17830888	11230332	344256	28716964	106924405	87696157

	AMOUNT (IN ₹)	
	As On 31.03.2011	As On 31.03.2010
SCHEDULE 6 - CURRENT ASSETS, LOANS & ADVANCES		
(A) INVENTORIES (As taken, valued & certified by the management)		
Raw Material	24059185	27083461
Finished Goods	59414026	80648959
Stores & Spares	2280323	634470
	85753534	108366890
(B) SUNDRY DEBTORS (Unsecured, considered good and recoverable as certified by the management)		
Outstanding for a period exceeding six months	56640710	27424308
Others	267898223	259650412
	324538933	287074720
(C) CASH & BANK BALANCES		
Cash On Hand	1394734	1759210
Balances with Schedule Banks		
- In Current Accounts	2503087	183557
- In Fixed Deposits (incl. accrued interest)	26865206	23057479
	30763027	25000246
(D) LOANS & ADVANCES (Unsecured, considered good as certified by the management)		
Advances (Recoverable in cash or kind or for value to be received)	50996170	5470458
Balance with Government Authorities	14018986	13217399
Security Deposits	14597625	653681
Other Advances	3914007	1988315
	83526788	27239853
SCHEDULE 7 - CURRENT LIABILITIES & PROVISIONS		
(A) Current Liabilities		
Sundry Creditors		
- Dues to Micro, Small and Medium Enterprises	0	0
- Dues to Others	104287768	49520620
Advances from customers	9860908	1719252
Duties & Taxes	2721174	7342006
Other Liabilities	20737840	12527935
	137607690	71109813
(B) Provisions		
- For Taxation (Net of Prepaid Taxes)	10547216	26679459
- Proposed Dividend	20439258	12315402
- Corporate Dividend Tax	3315759	2093003
	34302233	41087864
	171909923	112197677

	AMOUNT (IN ₹)	
	Year ended on 31.03.2011	Year ended on 31.03.2010
SCHEDULE 8 - MISCELLANEOUS INCOME		
Job Work Income	3233198	4734513
Interest Income	2225309	1942047
Profit on Sale of Fixed Assets	424467	184268
Currency Fluctuation	0	83229
Subsidy	475000	0
Others Miscellaneous Income	528540	775
	6886515	6944832
SCHEDULE 9 - INCREASE / (DECREASE) IN STOCK		
Closing Stock (Finished Goods)	59414026	80648959
Less : Opening Stock (Finished Goods)	80648959	18080240
Increase / (Decrease) in Stock	(21234933)	62568719
SCHEDULE 10 - CONSUMPTION OF RAW MATERIAL		
Opening Stock	27083461	50283483
Add: Purchases (Landed cost)	865882237	881637524
Less: Closing Stock	24059185	27083461
Raw Material Consumed	868906513	904837546
SCHEDULE 11 - MANUFACTURING EXPENSES		
Excise Duty	66268339	33690918
Power, Fuel & Water Expenses	17493955	18966382
Stores & Spares Consumed	2512456	2297926
Job Work Expenses	4409805	4460308
Repair & Maintenance:		
- Building	100565	94181
- Plant & Machinery	389886	940861
Other Manufacturing Expenses	940887	1432000
	92115893	61882576

	AMOUNT (IN ₹)	
	Year ended on 31.03.2011	Year ended on 31.03.2010
SCHEDULE 12 - ADMINISTRATIVE EXPENSES		
Auditor's Remuneration	193025	137875
Legal & Professional Charges	1194254	1207983
Insurance Charges	336939	349389
Membership Fees	43754	99317
Misc. Expenses	1027101	1651650
Currency Fluctuation	9533	0
Rent	4531707	5335435
Research & Development	860590	30641
Repairs & Maintenance	220690	514556
Rates & Taxes	1032860	0
Telephone Expenses	495446	657503
Travelling, Conveyance & Vehicle Expenses	2740901	2728057
Preliminary Expenses Written Off	137352	137352
	12824152	12849758
SCHEDULE 13 - PERSONNEL EXPENSES		
Salaries, Wages and Bonus	14815118	15585234
Employer's Contribution to PF, ESI & Gratuity Fund	1741114	635851
Staff Welfare Expenses	188464	137233
	16744696	16358318
SCHEDULE 14 - SELLING & DISTRIBUTION EXPENSES		
Advertisement Expenses	876008	2391089
Business Promotion Expenses	353897	829137
Clearing & Forwarding Expenses	63385	7385690
Commission & Discount Allowed	7082797	9974619
Freight Outwards	24865613	16932524
Misc. Selling & Distribution Expenses	8474524	2783022
	41716224	40296081
SCHEDULE 15 - FINANCIAL EXPENSES		
Interest on Working Capital Limits	15781624	11757255
Interest on Term Loans	3207216	4775780
Other Interest	3814047	3726413
Bank Charges	1952041	2067497
	24754928	22326945

SCHEDULE 16- SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

Notes attached to and forming part of the Statement of Accounts as on and for the year ending 31st March, 2011 :

I. SIGNIFICANT ACCOUNTING POLICIES:**1. Basis of Preparation of Financial Statements:**

The Financial Statements have been prepared under the historical cost convention using accrual method of accounting in accordance with Generally Accepted Accounting Principles and Provisions of the Companies Act, 1956 as adopted consistently by the Company following going concern concept.

Accounting policies not specifically referred to otherwise are consistent and in accordance with the accounting principles generally accepted and as recommended by the Institute of Chartered Accountants of India.

2. Revenue Recognition:

Sales are net of returns, discounts and sales tax. However, Turnover Discount and other non-recurring discounts and Excise Duty have been accounted for separately and have not been netted from Sales. Government grants are recognised on receipt / upon reasonable certainty of ultimate collection thereof. Incomes and expenditures are recognised on accrual basis. However, customers' claims are accounted for as and when arise/settled on the basis of final settlement.

3. Fixed Assets and Depreciation:

Fixed Assets are stated at cost less accumulated depreciation. The cost includes taxes, duties, freight, installation and other directly attributable costs of bringing the assets in its working condition for its intended use. Long term lease hold land is stated at cost.

Depreciation on Plant & Machinery is provided at the rates prescribed under the Schedule XIV under Written down Value Method. Depreciation on other assets is provided on Written down Value Method in accordance with the provisions of the Companies Act, 1956 at the rates and in the manner specified in Schedule XIV of the said Act.

Capital Work-in-progress and Pre-Operative Expenses towards Expansion cum Diversification Project is disclosed separately below the Gross Block of Assets. Such expenditures are allocated on the respective assets in the year of installation.

4. Inventories:

Inventories have been uniformly valued as under:

Raw Material	:	At Cost
Packing Material, Stores, Spares & Fuel	:	At Cost
Finished Goods	:	At lower of Cost or Net Realisable Value
Stock in Trade (Including Stock in Transit)	:	At Landed Cost
Work In progress	:	At Cost of Material plus Conversion Cost

5. Borrowing Cost:

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalised as a part of cost of such assets. All other borrowing costs are charged to revenue.

6. Preliminary Expenses:

Preliminary expenses incurred by the company are subject to amortization over a period of 5 years equally.

7. Taxation:

Provision for current tax is made in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.

Deferred tax effect of timing differences between tax profit and book profit is accounted for using the tax rates and laws that have been enacted or subsequently enacted as on the Balance Sheet date. Deferred tax assets are recognised to the extent there is reasonable certainty that these assets can be realised in future.

8. Employees' Benefits:

Employees' benefits in the form of contribution towards Provident Fund, ESI are considered as defined contribution plan and the contributions to recognised funds are charged to the Profit and Loss Account of the year when the contributions are due, as per the provisions of respective statutes.

Leaves lying in credit of the employees are not paid as the Company follows practice of granting leaves as and when demanded by the employees. These leaves are non-accumulating and the un-availed leaves automatically lapse at the year-end. Hence, no provision for the same is required to be made.

Gratuity is a post employment benefit and is in the nature of defined benefit plan. The defined benefit/obligation is calculated by Life Insurance Corporation of India, an independent Actuary using the projected unit credit method.

9. Foreign Currency Transactions:

Exchange rate difference arising from foreign currency transactions relating to import/export of goods are dealt with in the Profit & Loss Account. Foreign Currency assets and liabilities are restated at the rates ruling at the end of the year and exchange difference arising out of such transactions is given effect to relevant assets.

10. Cash Flow Statement :

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

11. Accounting for Investments:

Investments which are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

12. Segment Reporting :

The accounting policies applicable to the reportable segments are same as those used in the preparation of the financial statements. However, items of income and expenditures, assets and liabilities which are not directly attributable / identifiable / allocable on a reasonable basis to a business segment are shown as unallocated.

13. Earning Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

14. Intangible Assets :

Intangible asset is stated at the cost of acquisition less accumulated amortization and impairment loss.

15. Impairment of Assets :

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The same is charged to the Profit and Loss Account. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

16. Provisions, Contingent Liability and Contingent Assets:

A provision is recognised when there is a present obligation as a result of past event that there is possibility of an outflow of resources to settle the obligation and in respect of which reliable estimate can be made. Provision is determined based on the best estimate required to settle the obligation at the year end date. These are reviewed at each year end and adjusted to reflect the best current estimates.

Contingent liabilities are not provided for in the accounts and are separately shown in the Notes on Accounts. Contingent Assets are neither recognised nor provided or disclosed in the financial statements.

II. NOTES TO ACCOUNTS:**1. Contingent Liabilities:**

The following contingent Liabilities have not provided for in respect of:

- a. Letter of Credit for Rs. 9,13,59,194/- (Previous Year Rs 1,35,02,556/-).
- b. Bank Guarantees for Rs. 5,86,87,179/- (Previous Year Rs. 4,67,64,725/-).
- c. Export Obligations Liability (excluding interest & penalty as may be imposed) in case of failure to meet export obligation within the specified time period under EPCG Scheme – Rs. 72,96,696 (Previous Year Rs. 29,92,476).

- d. The following litigations filed against the company to counter the litigations filed by others are pending as on date:

Sl. No.	Name of Party/Department	Nature	Amount involved (in Rs.)	Pending before
1.	M/s Gateway Carrying Corporation, Delhi	Petition pending for hearing before the Hon'ble High Court, Jaipur under Section 433(e), 434 & 439(1) of the Companies Act, 1956.	37,14,200/-	High Court, Jaipur
2.	Mr. Badri Kesarvilas, Mr. Nand Lal Gurjar, Mr. Ram Prasad Mal and Mr. Suja	Claim against supply of alleged inferior quality of goods	3,05,000/-	District Consumers' Redressal Forum, Tonk.
3.	Excise Appeal No. 51 of 2009 against show cause notice no. V(39) 15/off./9/05/2525 dated 03.04.2006	Against the order of CESTAT, New Delhi imposing penalty on the Company	192833	High Court, Jaipur

2. Instalments of Term Loan payable within one year are Rs.3,09,53,089/- (Previous Year Rs. 1,04,24,016/-).
3. The Company has acquired three pieces of industrial land situated at RIICO Industrial Area, Sitapura (Extn.), Ram Chandra Pura, Jaipur on Deferred Payment basis from RIICO. Out of these, Bank of India has issued Letter of Comfort to RIICO in respect of two plots (plot no. SP-1-2316 & F-2243) and created their equitable mortgage over the same in respect of the term loan sanctioned for the new project. Apart from it, another plot No. SP-1-2315 is secured under lease agreement executed with RIICO. Therefore, the Deferred Payments of RIICO have been accordingly classified under Secured Loans.
4. The company has not received any intimation from its suppliers being registered under Micro, Small and Medium Enterprises Development Act, 2006. Hence, the disclosure relating to amount unpaid as at the year end together with interest paid/payable under this Act have not been disclosed separately.
5. Closing Stocks have been valued as per the Accounting Policies of the Company and includes Excise Duty, wherever applicable. There was no Process Stocks (W.I.P.) as on 31.3.2011.
6. In the opinion of the Directors, Loans & Advances, Sundry Debtors and other Current Assets, if realised in the ordinary course of business, have the value at which they are stated in the Balance Sheet.
7. The company has charged 1/5th of total preliminary expenses Rs. 1,37,352/- (Previous Year Rs. 1,37,352/-) during the year. The amortization of the same commenced w.e.f. the Financial Year 2006-07.
8. The company incurred pre-operative expenses amounting to Rs. 2,08,98,150/- (Previous Year Rs. 38,52,522/-) till the end of the current year for its expansion cum diversification project which is proposed to come up at RIICO Industrial Area, Sitapura, Jaipur. The pre-operative expenses comprises of travelling expenses, salaries & consultancy charges. A legitimate part of the Directors remuneration has also been allocated under this head since Directors have devoted much time towards planning this project. Apart from it, bank charges, interest on term loan and other expenses

which are attributable directly to project have also been booked under this head. The Company will capitalise the same upon commencement of the project.

9. The Company has given advances for purchase of goods to certain suppliers and others towards expenses etc., which are in the general course of business and not in the nature of loans or advances attracting provisions of Section 295/372A of the Companies Act, 1956.
10. At the year-end, there were unsecured Loans aggregating to Rs. 1,74,45,559/- were left unpaid in the books of the Company. The loans appearing during the year in the books were borrowed from shareholders, directors and corporate bodies. These advances did not fall within the meaning of the expression "Deposit" as defined in rule 3(B) of the Companies (Acceptance of Deposits) Rules, 1975.
11. Sales include trading sales of HDPE Pipes Rs. **NIL** (Previous Year Rs. 44,90,95,164/-) and Grapes Rs. 2,00,97,052/- (Previous Year Rs. 94,56,533/-).

Purchase of raw material includes trading goods purchases of HDPE Pipes Rs. **NIL** (Previous Year Rs. 37,63,46,909/-) and Grapes (Including packing material) Rs.47,09,097/- (Previous Year Rs. 2,29,03285/-).

12. The Company has a defined benefit gratuity plan. Every employee who has completed five years of more of service gets a gratuity on departure at 15 days last drawn salary for each completed year of service. The scheme is funded with LIC in the form of a qualifying insurance policy. Gratuity expense Rs. 8,19,162/- has been provided as per actuarial valuation made by the LIC under projected unit credit method.
13. Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the year is as under:

(Value in Rs.)			
Particulars	Liability/(Assets) as at 1.4.2010	Credit/ (Charges) for the year	As at 31.3.2011
<u>Timing Differences on account of:</u>			
Deferred Tax Liability:			
Depreciation on Assets	301058	Nil	225882
Deferred Tax Assets	Nil	(75176)	Nil
Deferred Tax Liability (Net)	301058	(75176)	225882
Previous Year	1674816	(1373758)	301058

14. Research & Development Expenditures :

(in Rs.)			
Particulars		Current Year	Previous Year
a.	Capital Expenditures	561754	Nil
b.	Revenue Expenditures	860590	30641
Total		1422344	30641

15. Remuneration to Executive and Non-Executive Directors:

(In Rs.)		
Particulars	Current Year	Previous Year
Salary & Allowances	6000000	2400000
Commission	Nil	4180000
Sitting Fees	34000	Nil
Total	6340000	6580000

16. Auditors' Remuneration:

(In

Rs.)

Particulars		Current Year	Previous Year
a.	Statutory Audit Fees	126845	82725
b.	Tax Audit Fees	44120	38605
c.	In Other Capacity	22060	16545
Total		193025	137875

17. Earnings Per Share :

Earnings Per Share has been calculated as under:

Sl. No.	Particulars	2010-11	2009-10
A	Number of Shares at the beginning of the year	8210268	8210268
	Shares issued during the year – Bonus Issue	4105134	4105134 (*)
	– Allotment	1310770	--
B	Total Number of equity shares outstanding at the end of the year	13626172	8210268
C	Weighted average number of shares out of Share Application Money	--	14120
D	Weighted average number of equity shares outstanding during the year	13130349	12329522
E	Net profit after tax available for equity shareholders (In Rs.)	69030763	67278415
F	Basic earnings per share (Rs.)	5.26	5.46
G	Diluted earnings per share (Rs.)	5.26	5.46

(*) Bonus shares issued in the year 2010-11 have been considered as if the same have been issued during the FY 2009-10 itself, in order to make the EPS comparable.

18. Additional information pursuant to provisions of paragraphs 3 & 4 of Schedule VI of the Companies Act, 1956.
(A) Particulars of Capacity:

Particulars	Installed (in MT per annum)	Licensed (in MT)
HDPE Pipes	20664 #	NA
PVC Pipes	7392 #	NA
PET Flakes	3600	NA
PET Granules	3600	NA

As certified by DIC, Govt. Of Rajasthan, as per their certificate dt. 25.01.11

- (A) The Ministry of Corporate Affairs, Government of India vide notification no S.O 301 E dated 8th February, 2011 has exempted to disclose quantitative details required under paras 3(i)(a) and 3(ii)(a) of Part II, Schedule VI to the Companies Act, 1956. The Board of Directors has passed necessary resolution in this regard and accordingly, the value of those goods which form less than 10% of the total value of turnover, consumption of raw material has not been shown separately.

(B) Details of raw material consumption:

Material Description	Unit	Current Year		Previous Year	
		Qty	Value	Qty	Value
HDPE Granules	Kg	5217827	381031431	4303689	258221340
LDPE Granules	Kg	120855	8728148	653414	43125324

PVC Resins	Kg	2725941	172333990	1693854	76223430
Master Batch	Kg	67790	4490204	105205	13676650
PVC Chemicals	Kg	76227	2456034	--	
Calcium	Kg	287982	2655194	187365	1377133
TBLS	Kg	--	--	66258	9607410
HDPE Dana Exempted	Kg	2789977	207228258	1397245	83834700
Pet Bottles	Kg	336383	13319359	--	
Trading HDPE/PVC Pipe & PLB Duct	Mtrs.		--	986620	298467949
Trading SPR Pipe & Fittings	Nos.		--	562634	77878960
Others			76663895		42424650
Total			868906513		904837546

(C) Detail of Production:

Product	Unit	Current Year	Previous Year
HDPE Pipes	Mtrs.	4922915	4138668
PVC Rigid Pipes	Mtrs.	2348818	1702773
HDPE Scrap	Kgs.	95922	72916
PVC Conduit/Fittings	Nos.	125864	54571
PVC Scrap	Kgs.	45583	29009
Sprinkler Pipes & Fittings	Nos.	729970	597905
Pet Bottles flakes	Kgs.	264368	154001
Pet Sheet	Kgs.	2810	
Pet Scrap	Kgs.	41	
Anti Febs	Kgs.	--	1000
Master Batch	Kgs.	--	750
Anti Feb Scrap	Kgs.	--	45
Master Batch Scrap	Kgs.	--	285
DWC Pipe	Mtrs.	12324	--

(D) Detail of Net Sales:

Particulars	Unit	Current Year		Previous Year	
		QTY	Value	QTY	Value
Pipes	Mtrs.	723374 3	687932727	6410282	453780533
Sprinkler Pipe & Fittings	Nos.	979549	367821862	446864	141983756
Pet Bottles Flex	Kgs	158325	9092718	190680	5208345
Trading HDPE/PVC Pipe & PLB Duct		0	0	986620	356027601
Trading SPR Pipe & Fittings	Nos.	0	0	562634	93067563
Others		-	56760415	-	19790598
Total			1121607722		1069858396

(E) Detail of Finish Stocks:

Particulars	2010-11	2009-10
	QTY (In M.T.)	QTY (In M.T.)
Opening Stock:		
LDPE Pipes (in Kg.)	--	0
HDPE Pipes (in Mtrs.)	65419	610343
PVC Pipes (in Mtrs.)	34291	58208
HDPE Scrap (in Kg.)	3025	10749
LDPE Scrap (in Kg.)	--	-
PVC Conduit/Fittings (Nos)	--	3139
PVC Scrap (in Kg.)	2442	4533
Sprinkler Irrigation systems	391	406

Plastic Strips (in Kg.)	--	14360
PVC Fittings SWRs (Nos.)	843	242
Sprinkle Fittings	156581	5525
HDPE Fittings (Nos.)	17091	22413
Pet Bottles	6982	43661
AntiFebs	900	
Masterbatchs	750	
AntiFebScrap	45	
Masterbach Scrap	285	
Grapes (In Kg.)	401566	
Closing Stock:		
LDPE Pipes (in Kg.)	--	--
HDPE Pipes (in Mtrs.)	107652	65419
PVC Pipes (in Mtrs.)	107411	34291
HDPE Scrap (in Kg.)	3194	3025
LDPE Scrap (in Kg.)	--	--
PVC Conduit/Fittings (Nos)	78786	--
PVC Scrap (in Kg.)	3192	2442
Sprinkler Irrigation systems	16011	391
Plastic Strips (in Kg.)	--	--
PVC Fittings SWRs (Nos.)	88276	343
Sprinkle Fittings	282161	156581
HDPE Fittings (Nos.)	21940	17091
Pet Bottles, Pet flex, Pet flakes	99915	6982
AntiFebs (in Kg.)	--	900
Masterbatchs (in Kg.)	--	750
AntiFebScrap(in Kg.)	--	45
Masterbach Scrap(in Kg.)	--	285
DWC Pipe (in Mtrs.)	1320	--
Grapes (In Kg.)	--	401566
Pet sheet (in Kg.)	1353	--
Pet scrap (in Kg.)	41	--
Opening Stock (in Rs.)	80648959	18080240
Closing Stock (in Rs.)	59414026	80648959

(F) Details regarding Imported and Indigenous materials consumed during the year:

(Value – In Rs.)

Particulars	Imported		Indigenous	
	% to total consumption	Value	% to total consumption	Value
Raw Material - Current Year	38.94%	338364495	61.06%	530542018
Previous Year	19.19%	173648335	80.81%	731189211
Store & Spares - Current Year	0	0	100%	2512456
Previous Year	0	0	100%	2297926

(G) C.I.F. Value of Imports:

(Value – In Rs.)

Particulars	Current Year	Previous Year
Raw Material	338364495	173648335
Capital Goods	31155228	3334472
Total	369519723	176982807

(H) Earnings in Foreign Exchange:

(Value – In Rs.)

Particulars	Current Year	Previous Year
Export of Goods on FOB basis	21182114	12811800
Others	--	83229

(I) Expenditure in Foreign Currency:

(Value – In Rs.)

Particulars	Current Year	Previous Year
Interest	84657	--
Other Matters : Overseas Consignee Expenses	13918629	3251878

19. The Following transactions were entered into with the related parties in the ordinary course of business.

(a) Names of the related parties with whom transactions were entered into during the period and description of relationship:

1. Companies under the same management:

- | | |
|----------------------------------|---------------|
| a) Tijaria Industries Limited | Group Company |
| b) Tijaria International Limited | Group Company |
| c) Tijaria Vinyl Private Limited | Group Company |

2. Key Management Personnel:

- | | |
|--|---|
| a) Mr. Alok Jain Tijaria - Managing Director | b) Mr. Vikas Jain Tijaria - Whole Time Director |
| c) Mr. Vineet Jain Tijaria - Whole Time Director | d) Mr. Praveen Jain Tijaria - Whole Time Director |

3. Relatives to Key Management Personnel:

- | | |
|----------------------------|------------------------------|
| a) Mrs. Anu Jain Tijaria | b) Mrs. Purnima Jain Tijaria |
| c) Mrs. Reema Jain Tijaria | d) Mrs. Sonal Jain Tijaria |
| e) Mr. Ramesh Jain Tijaria | f) Mrs. Maya Jain |
| g) Mrs. Kunti Jain | |

Transaction with Related Party						
Description	Key Management Personnel		Companies controlled by Key Management Personnel & their relatives		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Remuneration	6000000	6580000	-	-	-	-
Rent paid	360000	210000	120000	120000	-	-
Issue of Bonus Shares	19367240	-	21680100	-	4000	-
Loans & Advances Received	-	-	11500000	18006670	800000	6000303
Loans & Advances paid	-	-	5371061	2181832	671000	8694299
Allotment of Equity Shares at Premium *	-	-	85200050	-	-	-
Share Application Money Received	-	-	10200050	75000000	-	-
Unsecured Loan Received	19152915	-	-	-	8550000	-
Unsecured Loan paid	10653106	-	-	-	2104000	-
Dividend Paid	5810172	5810172	6504030	6504030	1200	1200
Outstanding Balance at the year -	-	-	-	-	-	-
- end - Dr/(Cr)	-	-	-	-	-	-
Loans & Advances	-	-	(16507777)	(10378838)	0	-
Unsecured Loan	(8499809)	-	-	-	(6445750)	-
	-	-	-	-	-	-

*Equity shares of Rs. 10 each issued at a premium of Rs. 55 each.

20. All the figures are rounded off to the nearest rupee.

21. Previous year's figures have been rearranged and regrouped wherever practicable and considered necessary.

Signature to Schedule 1 to 16 annexed to and forming part of the Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date.

For **S.MISRA & ASSOCIATES**
 CHARTERED ACCOUNTANTS
 FRN : 004972C

For **G. K. MITTAL & ASSOCIATES**
 CHARTERED ACCOUNTANTS
 FRN : 005842C

For **TIJARIA POLYPIPES LIMITED**

(**SUNIL SHARMA**)
 PARTNER
 M. No. : 408683

(**JOGENDRA SINGH SHEKHAWAT**)
 PARTNER
 M. No. 079348

(**ALOK JAIN TIJARIA**) (VINEET JAIN TIJARIA)
 MANAGING DIRECTOR EXECUTIVE DIRECTOR

(**TEJ KUMAR JAIN**)
 FINANCE MANAGER & COMPANY SECRETARY

DATE : MAY 2, 2011
 PLACE: JAIPUR



Balance Sheet Abstract & Company's General Business Profile Statement Pursuant to Part IV of Schedule VI of Companies Act, 1956			
I Registration Details:			
Registration No. (CIN)	U25209RJ2006PLC022828		17
Balance Sheet Date	31.3.2011		
II Capital Raised During The Year(000 Omitted):			
Public Issue	0	Right Issue	0
Bonus Issue	0	Private Placement	0
Share Application Money	0		
III Position Of mobilization and deployment of funds(000 Omitted)			
	Amount '000		Amount '000
Total Liabilities	685859	Total Assets	685859
Sources of Funds		Application of Funds	
Share Capital	136262	Net Fixed Assets (Including CWIP)	329414
Share Application Money	0		
Reserves & Surplus	225173		
Loan Funds		Net Current Assets	352672
Secured Loans	306752	Misc. Expenditure	3773
Unsecured Loans	17446		
Deferred Tax Liability	226		
IV Performance of Company (Amount In '000):			
	Amount '000		Amount '000
Turnover (Including Other Income)	1171636	Total Expenditure	1067775
Profit before Tax	103862	Profit after Tax	59031
Earnings per share (in Rs.)	5.26	Dividend	20439
Generic names of three principal products/services of company (As the monetary terms). Item code No. : 39172190, 39172390 & 84248100 Product Description : HDPE Pipes, PVC Pipes, Sprinkler Irrigation Systems and Grapes.			
SIGNATURE TO SCHEDULE 1 TO 16 The schedule referred to above and notes to accounts form an integral part of the balance sheet and profit & loss account.			
In terms of our report of even date		For TIJARIA POLYPIPES LIMITED	
For S.MISRA & ASSOCIATES	For G.K. MITTAL & ASSOCIATES		
Chartered Accountants	Chartered Accountants		
FRN : 04972C	FRN : 05842C		
(SUNIL SHARMA)	(JOGENDRA SINGH SHEKHAWAT)	(ALOK JAIN TIJARIA)	(VINEET JAIN TIJARIA)
Partner	Partner	Managing Director	Executive Director
M. No. 408683	M. No. 079348		
DATE : MAY 2, 2011		(TEJ KUMAR JAIN)	
PLACE : JAIPUR		Finance Manager & Company Secretary	