

Jain Irrigation Systems

Going global

HOW MANY companies have achieved 100% overall growth every year for the last four years? Just a handful. One amongst this select band is Jain Irrigation Systems. Its sales have increased from Rs 2.07 cr in 1987-88 to Rs 35.19 cr in 1991-92. Net profit has increased from a measly Rs 6 lac to Rs 5.66 cr over this period. This trend of 100% overall growth every year is expected to be more than maintained in the future.

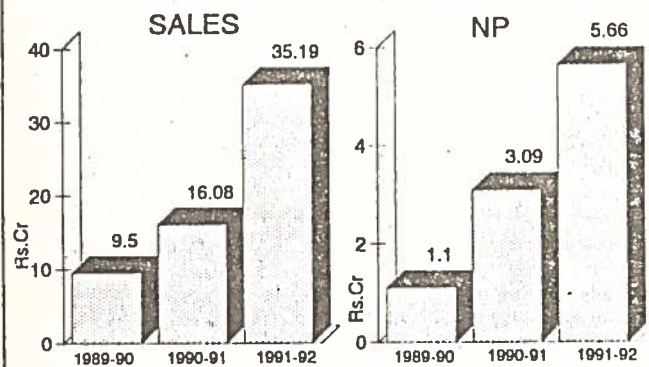
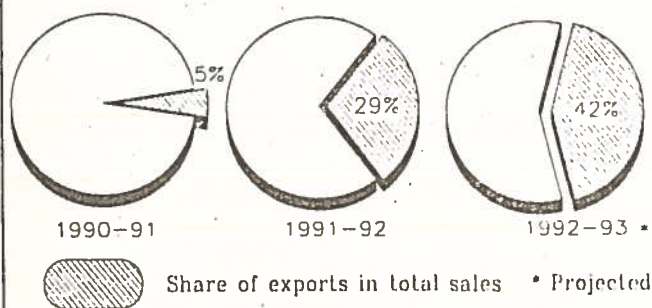
The company's drip/micro irrigation systems find wide acceptance among farmers, owing to their various advantages. The central government's decision to give subsidy on liberal

terms to the state governments for encouraging even poor farmers to opt for drip irrigation has only further increased the demand for its products. Besides, its 100% export-oriented unit manufacturing irrigation components, custom moulded plastic components and PVC foam sheets is also doing exceedingly well. Last year, exports jumped to Rs 10.04 cr from a mere Rs 81 lac. In the current year, they are expected to rise by about 200% to cross Rs 30 cr.

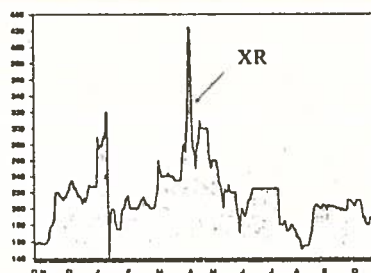
The company is currently implementing an expansion-cum-diversification project which will result in substantial addition to the production capacity as well as new product lines for export markets. Expected to be fully operational by Jun.'93, this project at full capacity utilisation can generate an annual turnover of around Rs 300 cr, of which exports constitute 50%!

For the half year ended Sep.'92, sales rose by 85% to Rs 15.1 cr and net profit by 70% to Rs 2.31 cr. In view of the

PERFORMANCE SNAPSHOT



JAIN IRRIGATION



Price: Rs 195

EPS: Rs 9.00

P/B: 17

Portfolio Plus

- 100% overall growth every year since 1987-88. Growth is expected to be more than maintained in future.
- In the first-half, sales increased by 85% to Rs 15.1 cr and net profit by 70% to Rs 2.31 cr. Around 75% of sales take place in the second-half.
- Exports to rise by 200% and cross Rs 30 cr during the current year. Total turnover to grow by 100% to Rs 72 cr.
- Expansion-cum-diversification project, expected to be fully operational by Jun.'93, can generate annual turnover of around Rs 300 cr at full capacity — with 50% coming from exports.
- Ambitious future plans to become a full-fledged agriculture company and go global.