

QUERY TIME

# PORTFOLIO REVIEW

*Since we have received innumerable queries from all parts of the nation, we have selectively chosen some which were repeatedly requested by many subscribers. They are Arihant Industries, Jain Irrigation Systems, ICICI, Radico Khaitan & Dewan Housing Finance*

## JAIN IRRIGATION SYSTEMS

**What is the future of Jain Irrigation? Should I sell, hold or switch?**

-Deshpande Rajesh G, 756, Garden View Parsee colony, Dadar, Bombay.

Jain Irrigation Systems Ltd. is a part of the Jain group. The company manufactures PVC pipes. The company was promoted in 1986 to manufacture micro-irrigation systems.

The company had come out with a rights issue in 1992 for

## FINANCIAL HIGHLIGHTS

(Rs/Crores)

Name Year	12-Mon E 9203	12-Mon E 9103	12-Mon E 9003
Turnover	35.30	16.10	9.50
Excise	0.00	0.00	0.00
Int	2.30	1.50	0.90
GP	6.62	3.45	1.74
Tax	0.00	0.00	0.10
Deprn	0.90	0.30	0.50
NP	5.60	3.10	1.10
EPS (Rs)	18.74	10.30	3.64
CEPS (Rs)	21.92	11.42	5.43
GPM (%)	18.71	21.38	18.20
NPM (%)	16.00	19.27	11.51
Equity	3.00	3.00	3.00
Bv (Rs)	40.79	24.14	12.65
Reserves	8.30	4.27	0.80
GB	28.00	15.80	5.50
Div (%)	21.00	18.00	15.00

the expansion of its domestic division's product range and diversification-cum-expansion of export division's products which include production of plastic sheets from various polymers. It is expected to be implemented by March 1993. The company's full production potential would be attained by 1995-96, when it expects to achieve a turnover of Rs 200 crores of which exports will amount to Rs 85 crores.

The company achieved a turnover of Rs 35.30 crores for the year ended March 1992 in which the exports amounted to Rs 28.38 crores which is almost 81 percent of total sales. The gross profit increased to Rs 6.62 crores, a rise of 91.88 percent compared to the previous year's Rs 3.45 crores. The net profit is about Rs 5.60 crores against Rs 3.10 crores of the year ended March 1991. With the rights issue the equity has risen to Rs 9 crores at the accumulated reserves of Rs 9.30 crores. The imports for the year was to the tune of Rs 15.94 crores. The company has paid a dividend of 20 percent for the year 1992.

The current ratio was 4.62 and interest coverage ratio 3.83. The dividend coverage ratio was 8.98 and the total assets as on March 31, 1992 was Rs 71.24 crores.

The scrip has been moving for some time in a close band (Rs 140 to Rs 220) and at the current market price of Rs 192 it merits inclusion in your portfolio.

