

JSL added orders to the tune of Rs 520 crore which includes orders in which the company stands L1 status. It is L1 in orders to the tune of Rs 300 crore which are transmission contracts in Bhutan & Bangladesh.

Valuation & Recommendation

JSL is expected to be in a higher growth trajectory both in terms of revenues as well as profitability over the next two years which are expected to exhibit a CAGR of 18.2% & 20.0% respectively. At CMP of Rs 154, the stock is trading at 10.6x & 8.8x its FY11 & FY12 estimated earnings of Rs 14.5 & Rs 17.6 respectively. We maintain a **BUY** with a price target of Rs 225, an upside of 46% from the current levels for a time horizon of 12 to 15 months.

Result Update



Kyon ki bhaiya, sabse bada rupaiya.

(Rs. In Cr.)

Jyoti Structures Ltd.	Q1FY11	Q1FY10	% Chg.	Q1FY11	Q4FY10	% Chg.	FY201003	FY200903	% Chg.
Net Sales	564.2	484.7	16.4	564.2	545.6	3.4	2006.0	1717.1	16.8
Other operational Income	0.1	1.1	-91.4	0.1	2.0	-95.5	12.5	7.3	72.0
Total Oper. Income(TOI)	564.3	485.8	16.2	564.3	547.7	3.1	2018.5	1724.3	17.1
Raw Materials Cons.-	337.3	300.9	12.1	337.3	304.3	10.9	1224.1	1127.3	8.6
% to TOI	59.8%	61.9%	-	59.8%	55.6%	-	60.6%	65.4%	-
Stock adj. (-)Inc / (+)Dec-	-13.2	6.3	PL	-13.2	6.9	PL	10.1	-25.4	LP
% to TOI	-2.3%	1.3%	-	-2.3%	1.3%	-	0.5%	-1.5%	-
Net Raw Mat adj. for stock	324.2	307.2	5.5	324.2	311.2	4.2	1234.2	1102.0	12.0
% to TOI	57.4%	63.2%	-	57.4%	56.8%	-	61.1%	63.9%	-
Other expenses	158.9	111.9	42.1	158.9	148.3	7.2	484.7	375.7	29.0
% to TOI	28.2%	23.0%	-	28.2%	27.1%	-	24.0%	21.8%	-
Contribution Net_Sales	81.3	66.8	21.7	81.3	88.2	-7.8	299.7	246.7	21.5
Personnel	17.3	12.8	35.2	17.3	16.4	5.7	59.9	43.5	37.7
% to TOI	3.1%	2.6%	-	3.1%	3.0%	-	3.0%	2.5%	-
Total expenditure	500.4	431.9	15.9	500.4	475.9	5.2	1778.8	1521.2	16.9
Operating Profit	63.9	54.0	18.5	63.9	71.8	-10.9	239.8	203.2	18.0
<i>% to TOI</i>	<i>11.3%</i>	<i>11.1%</i>	<i>-</i>	<i>11.3%</i>	<i>13.1%</i>	<i>-</i>	<i>11.9%</i>	<i>11.8%</i>	<i>-</i>
Non-Operating Income	0.6	0.8	-21.5	0.6	0.0	3050.0	0.1	0.1	37.9
Interest	19.9	17.8	12.0	19.9	24.9	-20.1	78.6	68.3	15.2
Exceptional Items	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gross Profit	44.7	37.0	20.7	44.7	46.9	-4.7	161.3	135.0	19.5
Depreciation	4.6	3.1	48.6	4.6	6.2	-26.7	16.9	8.6	95.6
PBT before Extra-ord	40.1	33.9	18.2	40.1	40.7	-1.4	144.4	126.4	14.3
% to TOI	7.1%	7.0%	-	7.1%	7.4%	-	7.2%	7.3%	-
Extraordinary Items	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PBT	40.1	33.9	18.2	40.1	40.7	-1.4	144.4	126.4	14.3
Tax Rate	34.3%	34.0%	-	34.3%	37.8%	-	36.3%	36.9%	-
Prov. for Tax	13.8	11.5	19.2	13.8	15.4	-10.5	52.4	46.6	12.5
% to TOI	2.4%	2.4%	-	2.4%	2.8%	-	2.6%	2.7%	-
Profit after Tax	26.3	22.4	17.7	26.3	25.3	4.2	91.9	79.7	15.3
<i>% to TOI</i>	<i>4.7%</i>	<i>4.6%</i>	<i>-</i>	<i>4.7%</i>	<i>4.6%</i>	<i>-</i>	<i>4.6%</i>	<i>4.6%</i>	<i>-</i>
Face Value	2.0	2.0	0.0	2.0	2.0		2.0	2.0	0.0
Equity Share capital	16.4	16.4	0.4	16.4	16.4	0.1	16.4	16.3	0.4
EPS (Rs.)	3.2	2.7	17.3	3.2	3.1	4.2	11.2	9.8	14.8
CEPS (Rs.)	3.8	3.1	21.0	3.8	3.8	-1.8	13.3	10.8	22.6

Source: ACE Equity

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Ventura Securities Limited

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