

**Jain Irrigation Systems Ltd.**

*Small Ideas. Big Revolutions.\**

**"Leave this world better than you found it."**

Founder - Bhavarlal H. Jain (1937 - 2016)

JISL/SEC/2018/08/B-2, B-6

13.08.2018

To,  
Bombay Stock Exchange Ltd.,  
Corporate Relationship Department,  
1st Floor, New Trading Wing, Rotunda  
Building, P. J. Tower, Dalal Street,  
Mumbai - 400 001.

To,  
National Stock Exchange of India Ltd.,  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai - 400 051.

Fax No.022- 22723121/22722037(Day)  
022-22721072 (Night)  
Email: [corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)

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Email : [cm1ist@nse.co.in](mailto:cm1ist@nse.co.in)

**Ref: Code No. 500219 (BSE) JISLJALEQS (NSE) Ordinary Equity shares  
Code No. 570004 (BSE) & JISLDVREQS (NSE) for DVR Equity Shares**

**Sub: Investor Communication**

Dear Sir,

Attached is the Investor Communication issued by the Company after the Board Meeting held on 13<sup>th</sup> August, 2018 for your record and reference.

Please acknowledge.

Thanking you,

Yours faithfully,  
For **Jain Irrigation Systems Ltd.**

**A. V. Ghodgaonkar**  
**Company Secretary**



Drip  
Irrigation  
System

Sprinkler  
Irrigation  
Systems

Protected  
Cultivation

Plumbing  
Systems

Tissue  
Culture

Plastic  
Products

PVC  
Pipes &  
Fittings

Food  
Processing

Renewable  
Energy

Turnkey  
Solutions  
and  
Project  
Execution

Services



**Jain Irrigation Systems Ltd.**

Small Ideas. Big Revolutions.®

1QFY19

INVESTOR  
COMMUNICATION

The journey of Jain Irrigation Systems Ltd. started with a young boy who wanted to excel at his studies, even if it meant studying under the only lamp in his village. His determination and ideas revolutionised the face of the agricultural industry in India and in turn, he was recognised globally for his work.

But more than recognition, it was his devotion to do good for the society that gained him the affection of millions.

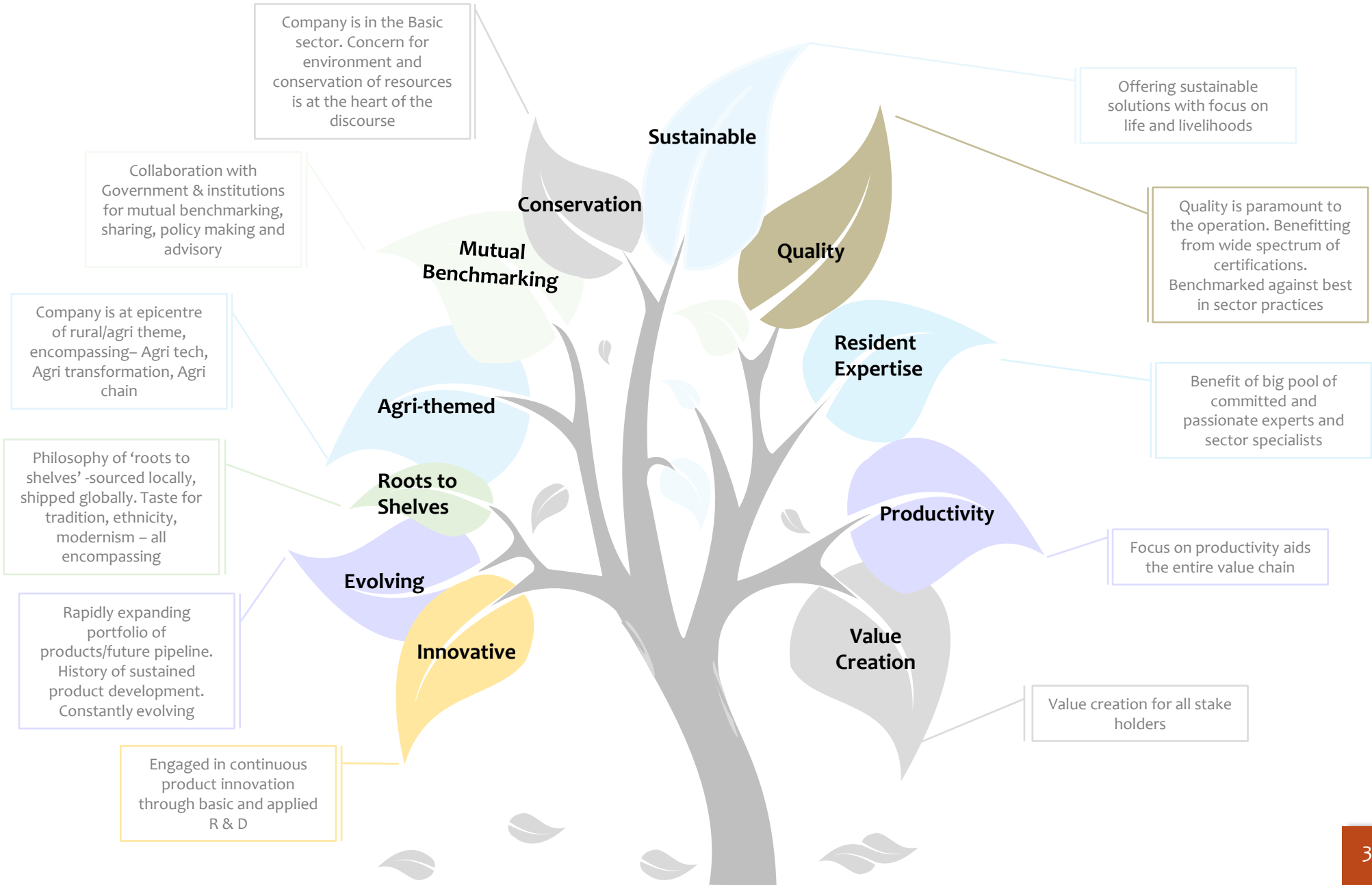
In no time, our founder chairman, Late Mr. Bhavarlal Jain became 'Bhau' (brother) for all those who worked for and with him. His journey became an inspiration and his legacy laid the foundation of JISL.

Bhau nurtured every member of JISL in such a way that they adapted these values as their own with the same commitment and passion. To the point that the lesson of unity runs in the DNA of the organisation and each member of JISL is its proud guardian. Across geographies, JISL leadership and management team is experienced with an established track record over decades.

Fortune magazine hailed JISL as the only Indian Company in the top 51 companies who change the world by 'Doing Well by Doing Good'. Even when we've come so far, all the services and achievements of JISL are direct outcomes of this deep-rooted value. The principles of staying and working as one aren't just things that we write on the wall. They're commitments held by every associate, stakeholder partner and farmer. They're tenets that have stood true through time and have been shared between generations. They're values that live in the stories of the associates of JISL.



# JISL – Sustainable growth



# Jain Irrigation – A snapshot

**1963**

Started our trading business in agricultural inputs and equipment. Company has **30**



manufacturing plants



**5.2mm**

Farmer lives have been touched



**Rs 80 bn**

Revenues in 2017-18



**12,000**

Associates globally



Incorporated in **1986**



**10,555+**

Dealers and distributors base globally



**120+** countries reached through our products



**#1**  
Micro-irrigation company in India



**#2**  
Micro-irrigation company globally



**#1**  
Manufacturer of plastic pipes in India



**#1**  
In mango processing globally



**#1**  
In tissue culture production of banana and pomegranate globally



**#3**  
In onion and vegetable dehydration globally

## Touching lives in more ways than one



## Smart Irrigation Solutions & Precision Agriculture Technologies for Sustainable Future

• Precision Irrigation - Integrated Solutions for Command Areas

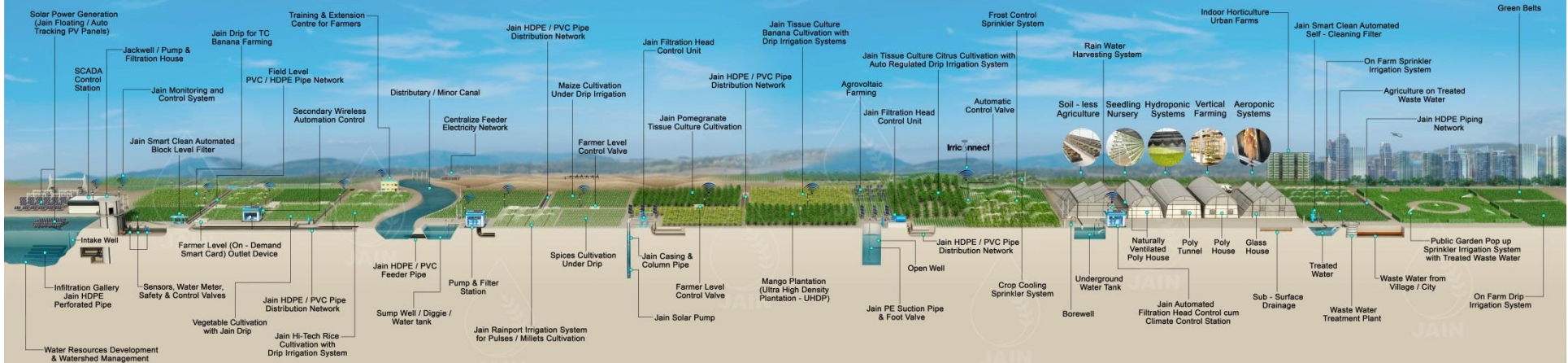
• Modernisation of Canal Networks with Integrated Irrigation Solutions

• Community Well Based Solar Powered Integrated Irrigation Solutions

• Hi - Tech Integrated Agriculture Solutions

• Precision Farming Solutions - Environment Controlled Agriculture

• Treated Waste Water Reuse for Agriculture through Micro Irrigation



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**Water Wise: Grow more with less**



## Onion Processing

2<sup>nd</sup> largest onion dehydrator in the world

### Key highlights

- First plant established at Jalgaon in 1995
- 2 plants in India and 1 in US, with total capacity to manufacture ~34,700 MT of product
- Catering to major players in dehydrated soups and ready to eat/cook products in 28 countries
- Fully automated, longest dryer developed and commissioned for onion dehydration
- Conversion of Dryer from Steam heated to hot air heated, resulting in 20% increase in production capacity
- Has also successfully done a pilot project for fresh fruits

### Product Range

Onion dehydration



## Fruit Processing

Largest mango processor in the world

### Key highlights

- First plant established at Jalgaon in 1997, to manufacture Aseptic fruit purees and concentrates
- Clarified Juice production and frozen pulp processing started in 2006-07
- UHDP for mango developed and commercialized in 2011
- Catering to major players in juice, baby foods and confectionaries in 38 countries
- Developed the concept of ECRC based ripening for Mango, first time in the world
- Developed and implemented Hot Water System for Mango to reduce wastage during ripening

### Product Range



## Spices Business

One of the largest Spice processing facilities in India

### Key Highlights

- Only Integrated facility right from Drying to Milling.
- Complete Agri value chain from Seed to Processing.
- Contract Farming planned with more than 5000 Farmers.
- Plant processes 100% pure spices in Dry & Wet form.
- Technology to retain volatile and essential oil content of spices.
- Capable to produce 100% Steam sterilized products.
- Allergen Free Facility
- Four independent processing lines ~ dedicated line for Chili, Root Spices, Seed Spices and Pepper.

### Product Range





# Global Brand Equity

## MICRO IRRIGATION SYSTEMS & EQUIPMENTS - MORE CROP PER DROP®



## PLASTIC PRODUCTS - YOUR LIFELINE TO PROSPERITY®



## GREEN ENERGY PRODUCTS - JOINT VENTURE WITH NATURE



## FOOD PRODUCTS - YOUR RECIPE FOR GREAT TASTE



## Hi-tech Agri Input Division ( Hi-Tech)

- Good monsoon may spur retail growth in second half
- Largest ever order in company's history of Rs 975 crore from MP Govt to irrigate 228,475 acres
- Project Division gaining strength with strings of orders

## Plastic Division ( Plastic)

- Stable margins despite volatile crude prices and resultant polymer prices increase
- Continued pipe orders from Infra Sector including water , gas and cable segments
- Robust exports also being developed in Subcontinent and Africa

## Agro Processing Division ( Agro)

- Agro Processing Division back to solid revenue growth with even higher volume growth
- Significantly low prices of mango fruits means impact on revenue
- Company has produced record mango quantities this season in its history

## Way forward

- Focus on execution in remaining quarters backed with large order book
- Focus on free cash flow & deleveraging in last 2 quarters

## Performance Overview : Q1 FY19

### Standalone

Rs. Mn	Revenue	Growth y-o-y	Order Book Position
Hi-tech	5,352	13.1%	21,468
Plastic	5,260	23.8%	10,141
Other	260	-2.2%	42
<b>Total</b>	<b>10,872</b>	<b>17.5%</b>	<b>31,651</b>

### Consolidated

Rs. Mn	Revenue	Growth y-o-y	Order Book Position
Hi-tech	10,072	16.6%	26,447
Plastic	5,923	26.7%	10,250
Agro	4,594	41.3%	8,883
Other	330	35.3%	795
<b>Total</b>	<b>20,919</b>	<b>24.4%</b>	<b>46,375</b>

## Financial Performance

### Standalone

Rs Mn	1QFY19	1QFY18
Revenue <sup>^</sup>	10,872	9,249
EBIDTA	1,903	1,507
PAT	436	409
Cash PAT*	961	878

<sup>^</sup>Net of Excise duty

- EBIDTA Margin for Q1 FY19 is at 17.5% increased by 120 basis points
- PAT increased by 6.8% on YoY basis

### Consolidated

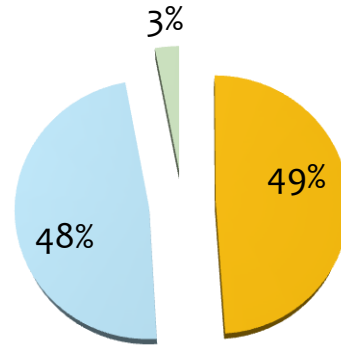
Rs Mn	1QFY19	1QFY18
Revenue <sup>^</sup>	20,920	16,812
EBIDTA	2,908	2,494
PAT	818	443
Cash PAT*	1,684	1,294

<sup>^</sup>Net of Excise duty

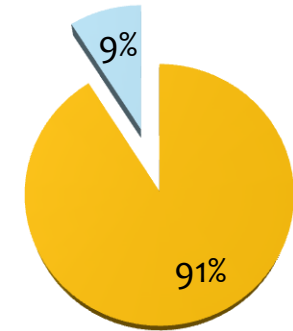
- EBIDTA Margin for Q1 FY19 at 13.9% as against 14.8% in Q1 FY18 due to change in product mix
- PAT increased by 84.7% on YoY basis partly due to gain on fair valuation of embedded derivatives.

# Revenue Overview : Q1 FY19

## Standalone

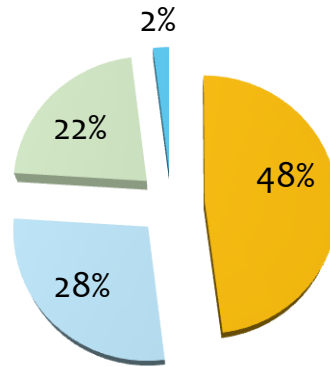


■ Hi-Tech ■ Plastics ■ Other

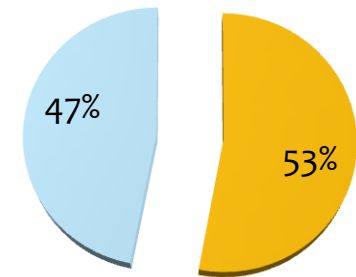


■ Domestic ■ Export

## Consolidated



■ Hi-Tech ■ Plastics ■ Agro ■ Other



■ India ■ Rest of World

# Working Capital Analysis

## Standalone

Days	DSO^ Jun 30, 2018			DSO^ Mar 31, 2018			DSO^ Jun 30, 2017		
	Inventory	AR	Net WC	Inventory	AR	Net WC	Inventory	AR	Net WC
Hi Tech	105	187	214	83	179	165	121	171	190
Plastic	50	106	54	43	90	21	61	97	83
<b>Standalone Co</b>	<b>87</b>	<b>156</b>	<b>156</b>	<b>73</b>	<b>146</b>	<b>115</b>	<b>103</b>	<b>146</b>	<b>157</b>

## Consolidated

Days	DSO^ Jun 30, 2018			DSO^ Mar 31, 2018			DSO^ Jun 30, 2017		
	Inventory	AR	Net WC	Inventory	AR	Net WC	Inventory	AR	Net WC
Hi Tech	101	136	175	87	139	152	122	148	184
Plastic	61	97	65	57	85	37	73	101	105
Agro	251	56	193	239	73	195	285	54	221
<b>Consol Co</b>	<b>127</b>	<b>112</b>	<b>157</b>	<b>116</b>	<b>115</b>	<b>140</b>	<b>149</b>	<b>113</b>	<b>171</b>

- Net Working Capital improved by 14 days yoy basis

## MIS Analysis - India

### MIS –Revenue

Rs Mn	1Q FY19	1Q FY18	Change YoY%
<b>Retail</b>	3,023	3,352	-9.8%
<b>Project</b>	1,242	196	534.1%
<b>Domestic Total</b>	<b>4,265</b>	<b>3,548</b>	<b>20.2%</b>
<b>Export</b>	638	660	-3.3%
<b>Total</b>	<b>4,903</b>	<b>4,208</b>	<b>16.5%</b>

### MIS –Receivables

Rs Mn	31-Mar-17	30-Jun-17	31-Mar-18	30-Jun-18	Change QoQ%
<b>Retail</b>	1,853	1,665	1,358	2,115	757
<b>Govt. Subsidy</b>	3,655	3,998	4,018	3,953	(65)
<b>Project</b>	3,071	2,745	3,641	3,846	205
<b>Export</b>	856	1,005	2,119	2,312	193
<b>Total</b>	<b>9,435</b>	<b>9,413</b>	<b>11,136</b>	<b>12,226</b>	<b>1,090</b>

## Debt Position

Rs Bn.	Jun 30, 2018	Mar 31, 2018	Change QoQ	Jun 30, 2017
<b>Standalone</b>				
Gross Debt	16.01	12.02	3.99	16.95
Net Debt	14.68	9.37	5.31	14.59
<b>Consolidated</b>				
Gross Debt	48.24	43.10	5.14	43.67
Net Debt	45.79	38.91	6.88	40.62

- 16% of gross debt (standalone) & 65% of gross debt (consolidated) is in foreign currency as of Jun 30, 2018

### Standalone Long Term Foreign Currency Loan (FCL) Repayment Schedule

Year	FY19 (9 M)	FY 20	FY 21	FY 22-23	Total
<b>Eq. US Dollar mn</b>	11.63	12.71	12.50	2.47	<b>39.32*</b>

\*The Company has hedged US\$ 11.52 mn of its long term foreign currency loans



- **Jain Irrigation to execute Integrated Drip Irrigation project in Vidarbha region**
  - Jain Irrigation to do Integrated Drip Irrigation project in Vidarbha region through a project worth INR 2.4 bn. More than 10,000 farmers and 20,748 acre command area covering 65 villages of Arvi Taluka of Wardha district of Maharashtra will benefit from the project. The project shall be executed within 24 months. This project aims to improve water use efficiency up to 90% (from existing 35%) in canal command areas by using Pressurized Piped Distribution Network (PDN) and On-Farm Micro Irrigation (Drip/Sprinkler) system as per the mandate of GoI under PMKSY.
  
- **Jain Irrigation bags India's Largest Major Irrigation Project**
  - Jain Irrigation Systems Limited has received Letter of Intent from Water Resources Department, Government of Madhya Pradesh to execute the Mohanpura Major Project. In this project, the total Cultivable Command area of 228,475 acre is to be brought under Micro irrigation. The value of the project is INR 9.8 bn and the project is to be completed in 36 months. This pressurized piped irrigation project is to be designed in such a way that every farmer will be able to attach their micro irrigation systems at a later stage to the outlets provided at every 1 Ha level.
  
- **Jain Irrigation gets 6 Plex Council awards -PVC Foam sheet, Pipes & Hoses and Micro-Irrigation Departments**
  - Jain Irrigation Systems Limited has won the export awards in all three different groups (PVC Sheet, PVC pipes and hoses and drip-irrigation departments) for the first number in 2015-16 and 2016-17. The Company was felicitated in a grand ceremony held in Hotel Leela, Mumbai at the hands of Union Commerce & Industries Minister Suresh Prabhu.



**Thank You**