Jain Irrigation Systems Ltd.

Small Ideas. Big Revolutions.

"Leave this world better than you found it."

Founder - Bhavarlal H. Jain (1937 - 2016)

JISL/SEC/2022/08/B-2/B-6

13th August, 2022

To,
Bombay Stock Exchange Ltd.,
Corporate Relationship Department,
1st Floor, New Trading Wing, Rotunda Building,
P. J. Tower, Dalal Street,
Mumbai - 400 001.
Fax No.022– 22723121/22722037(Day)
022-22721072 (Night)
Email: corp.relations@bseindia.com

To,
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.
Fax No. : 022-26598237/38
Email : cc@nse.co.in

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

Sub: Investor Communication Q1 FY23

Dear Sir/Madam,

Attached is the Investor Communication issued by the Company after the Board Meeting held on 13th August, 2022 for your record and reference.

Please receive the above in order and acknowledge.

Thanking you,

Yours faithfully,

For Jain Irrigation Systems Ltd.

A. V. Ghodgaonkar
Company Secretary

Jain Irrigation Systems Ltd.

Small Ideas. Big Revolutions.®

1Q FY22-23 INVESTOR COMMUNICATION

“**Leave this world better than you found it.**”

- **Bhavarlal Jain, Founder, JISL.**

One man's desire to improve the lot of his fellow men, spearheaded a revolution in sustainable agriculture that has transformed the lives of millions of farmers, associates, stakeholders and the society around the world.

Every business of Jains, ensures that it creates shared value, nurtures the environment and contributes significantly to the water and food security of the world.

Corporate philosophy

Mission	:	Leave this world better than you found it
Vision	:	Establish leadership in whatever we do at home & abroad
Credo	:	Serve & strive through strain & stress; Do our noblest, that's success
Goal	:	Achieve continued growth through sustained innovation for total customer satisfaction and fair return to all other stakeholders. Meet this objective by producing quality products at optimum cost and marketing them at reasonable prices
Guiding principle	:	Toil and sweat to manage our resources (men, material and money) in an integrated, efficient, economic & sustained manner. Earn profit, keeping in view commitment to society and environment
Quality perspective	:	Make quality a way of life
Work culture	:	Experience: **'Work is life, life is work'**

About the Company

1963
Established

29
Manufacturing Plants globally

10,000 ±
Associates Globally

₹ 71.2 BN±
Aggregate revenues as on 31st March, 2022

11,000+
Dealers and distributors globally

126
Countries reached through our product and Service

$1 BN±
Market capitalization as on January 2019

8.5 MN
Farmers' lives have been touches globally

#1 Micro-irrigation company in India and USA

#2 Micro-irrigation company globally

#1 In mango processing globally

#1 In tissue culture production of banana and pomegranate globally

#3 In onion and vegetable dehydration globally

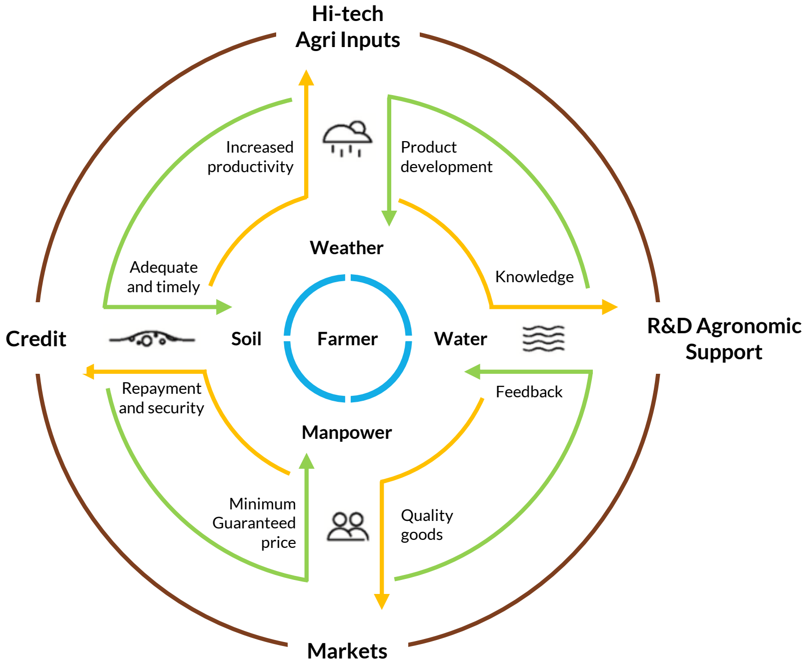
Sustainable Business Model

Conservation of resources.
Sustainable environment.

- Watershed planning
- Water harvesting
- Soil/water saving
- Water resource estimation
- Waste land reclamation

More investments.
More profits

- Contract farming
- Dehydrated onions and vegetables
- Processed fruits



Enhanced productivity.
Cost savings.

- Drip & Sprinkler Irrigation
- Tissue Culture Plants
- Fertilizers
- Green houses
- PVC Piping Systems
- HDPE Piping Systems

Improved product quality.
Value added.

- Turnkey projects
- Agro-consulting
- Training
- Agronomy services
- Surveys and analysis - water and soil
- Irrigation scheduling

Unique total solutions offered to farmers

Business segments

Hi-tech Agri Input Products Division
(MIS & TC)

- Drip & Sprinkler Systems Precision Farming Advisory
- 1st in India and 2nd Globally
- Wide distribution presence – over 11,000 dealers / distributors in India and internationally
- Manufacturing base in India, Israel, Turkey, USA, Latin America and Europe
- R&D base in India, Israel, USA
- Globally No. 1 in Banana & Pomegranate Tissue Culture

INR 41.6 Bn (58.4%)

Plastic Division (PVC, PE Pipes & Sheet)

- PVC Pipes, fittings, Polyethylene Pipes Turnkey Projects, PVC Sheets
- One of the largest players
- Catering to Agricultural, Industrial & Infrastructural customer base
- Manufacturing primarily driven from India
- Forayed into urban markets by introducing plumbing systems
- Plastic Sheet Business manufacturing to Ireland, closer to customer base

INR 14.6 Bn (20.5%)

Agro Processing Division

- Fruit pulps, concentrates, vegetable dehydrations, spice processing, etc.
- Globally No 1 in Mango processing and No. 3 in Onion dehydrations
- Catering to top global food companies
- Manufacturing in India, UK, USA and Turkey

INR 14.8 Bn (20.8%)

Other Division / Products

- Solar Thermal Products, Solar Photovoltaic Grid & Off-Grid Products
- Solar Power generation investments to reduce cost of power
- Agri R&D activities

INR 0.2 Bn (0.3%)

Note : Audited consolidated revenue and % of total operating revenue for fiscal year 2021-22

Short & Long Term Strategy

SHORT TERM

Stable Operation & improved profitability

- Focus on completion of pending EPC projects
- Expand the retail product portfolio : PVC, Micro Irrigation, Agro Processed products through better dealer network
- Expand Revenue by improving utilising capacity : Pipe/Spice Business
- Improvement in working capital cycle, Focus on reduction in government receivables
- Stabilise operations and improve cost efficiency across order to delivery process
- Complete change in business model

LONG TERM

Sustainable & impactful growth

- Expanding the geographic markets : Catering to North, East & Northeast region in domestic market and augment the customer base for piping business in the overseas market.
- To increase the market share, company plans to divide its business into two segments – “Sustainable Ag-tech Solutions” (‘SAS’) comprising its irrigation and agriculture related activity and “Sustainable Piping and Building Material Solutions” (‘SPBMS’) comprising its piping and infrastructure development related products
- Tapping the urban market for our wide range product offerings from the building & construction material under Piping and Fitting segment
- Inclusive growth of farmers by bringing them into mainstream using modern Ag-tech Solutions including digital transformation.
- Expand product offering under Tissue culture division by adding more crops i.e. coconut, potato , orange, mango, turmeric, ginger etc….
- Implement prudent financial strategy by way of efficient working capital management, deleveraging of balance sheet and free cash flow generation.

Management Comments

Vice Chairman and Managing Director of the Company, Mr. Anil Jain said:

"We are pleased to share with you the results of the first quarter of financial year 2022-23. There is a good growth in revenue in each Division and the consolidated revenue has crossed ₹ 20 billion, up by 14.9% yoy. The year has started on a good note. Interestingly, the overseas businesses have outpaced the India business, both in Agro Products Division and Agri Inputs Division. The margin of the Plastic Division has been impacted due the adverse raw material prices in highly inflationary environment. However, the overall margin of the Company is maintained and we are especially pleased, given the fact this was the first quarter post Debt Resolution.

We are conscious of, and our efforts are channelized to navigate inflation and uncertainty on external front softly. While the Divisions are working hard to cater to the demand and to service the opportunities in a sustainable manner, the focus on margin and working capital would continue to be of vital importance."

1Q– Highlights

Improved Revenue Growth

- During 1QFY23 Company managed to register around double digit revenue growth across all the divisions on Standalone and Consolidated yoy basis on account of good demand in domestic retail business.
- Good order book coupled with expected large order under JJM in piping business, we foresee strong growth in balance part of the year.

Improved profitability

- EBITDA margin largely maintained despite inflation headwinds in RM prices and continued supply chain disruption
- EBITDA increased by ~50 basis points in Agro Processed Products Division to ~14.7% during 1QFY23 on YoY consolidated basis

Leverage

- Consolidated gross debt as on Jun 30, 2022 – at ₹ 64.92 Bn, slightly increased from March 31, 2022 due to sharp depreciation in Rupee against US Dollar.

Improvement in Working Capital Cycle

- Net Working capital cycle, on YoY basis in 1QFY23, improvement from 411 days to 294 days in standalone books and from 232 days to 183 days in Consolidated books

Standalone 1QFY23

₹ in million

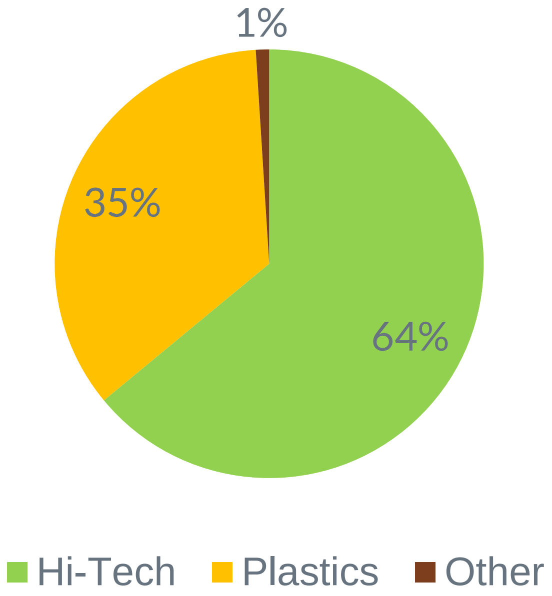
Financial Performance	1QFY23	1QFY22
Revenue	8,617	6,967
EBIDTA	1,095	1,022
PAT	-55	-164
Cash PAT	319	230

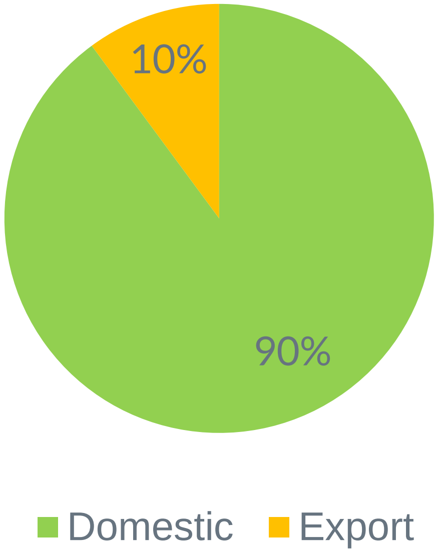
Revenue by Segment	Revenue	Growth y-o-y	EBIDTA	% to revenue
Hi-tech Agri Inputs	5,513	22.9%	954	17.3%
Plastic	2,976	23.3%	71	2.4%
Other	128	87.5%	69	54.2
Total	8,617	23.7%	1,095	12.7%

Exports from India	Revenue	Growth y-o-y
Hi-tech Agri Inputs	535	-14.8%
Plastic	336	22.3%
Agro /Food	840	-8.4%
Total	1,711	-6.0%

Standalone 1QFY23

Revenue Overview





Consolidated 1QFY23

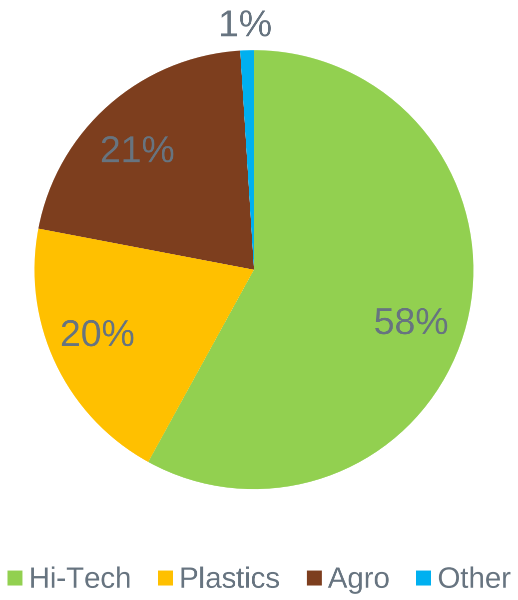
₹ in million

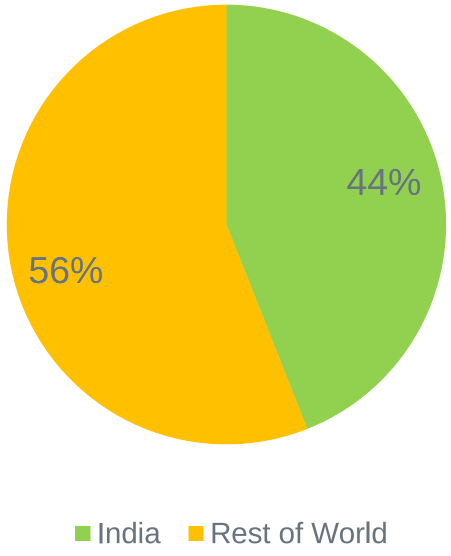
Financial Performance	1QFY23	1QFY22
Revenue	20,428	17,775
EBIDTA	2,693	2,638
PAT	-58	134
Cash PAT	764	978

Revenue by Segment	Revenue	Growth y-o-y	EBIDTA	% to revenue
Hi-tech Agri Inputs	11,800	9.3%	1,847	15.7%
Plastic	4,177	21.4%	172	4.1%
Agro/Food	4,325	24.2%	636	14.7%
Other	126		38	
Total	20,428	14.9%	2,693	13.2%

Consolidated 1QFY23

Revenue Overview





Order Book Position 1QFY23

Standalone

₹ in million

Hi-tech Agri Inputs ₹ 14,440 + Plastic ₹ 5,838 = Total ₹ 20,278

Consolidated

Hi-tech Agri Inputs ₹ 20,255 + Plastic ₹ 6,086 + Agro/Food ₹ 7,847 = Total ₹ 34,188

Working Capital Analysis

Standalone

Days	DSO Jun 30, 2022			DSO Mar 31, 2022			DSO Jun 30, 2021		
	Inventory	AR	Net WC	Inventory	AR	Net WC	Inventory	AR	Net WC
Hi Tech	128	289	363	136	297	365	136	384	470
Plastic	59	144	148	50	155	193	63	202	251
Corporate	108	240	294	110	251	314	118	331	411

Consolidated

Days	DSO Jun 30, 2022			DSO Mar 31, 2022			DSO Jun 30, 2021		
	Inventory	AR	Net WC	Inventory	AR	Net WC	Inventory	AR	Net WC
Hi Tech	109	141	209	108	144	200	111	179	246
Plastic	59	96	104	52	106	135	68	134	177
Agro	233	52	172	214	59	172	268	61	210
Corporate	127	115	183	121	120	185	139	150	232

Debt Position

Standalone

₹ in billion

Debt Profile	30-06-22	31-03-22	Change	30-06-21
Long Term	12.21	12.76	-0.55	7.45
Short Term	15.47	15.53	-0.06	25.94
Gross Debt	27.68	28.29	-0.61	33.38
Net Debt	26.33	26.37	-0.03	30.81

Consolidated

Debt Profile	30-06-22	31-03-22	Change	30-06-21
Long Term	38.27	37.57	0.70	30.38
Short Term	26.65	26.48	0.17	37.15
Gross Debt	64.92	64.05	0.87	67.52
Net Debt	62.18	60.14	2.04	63.39

6% of gross debt (standalone) & 51% of gross debt (consolidated) is in foreign currency as of June 30, 2022

Recent Updates

Jain Irrigation To Merge International Irrigation Business With Rivulis To Create A Global Irrigation and Climate Leader

- The Group has entered into an agreement to merge its International Irrigation Business with Rivulis to create a global irrigation and climate leader. This is in line with the ongoing condition subsequent compliance under the resolution plan approved by London court with the bondholders on the reduction of debt and value monetization of overseas business.
- On June 21, 2022, Jain International Trading B.V., Netherlands , a wholly-owned subsidiary of parent Company signed an agreement for the sale and purchase of the entire issued share capital of Jain America Holdings Inc. (Irrigation Business), Gavish Control Systems Ltd., NaanDan Jain Irrigation Ltd. and their respective subsidiaries (together, the "International Irrigation Business") comprising JISL's international irrigation business. Company/group will get a significant non-controlling interest comprising ~22% in the Merged Company. Completion under this agreement is subject to certain antitrust and foreign investment approvals / clearances. Upon Completion, a proportion of the proceeds of the transaction will be utilised by JITBV to repay its debt and other liability/ies leading to significant reduction in debt at consolidated level.

Jain Irrigation bags 13 PLEXCONCIL awards for best export performance

- India's largest and the world's second largest micro irrigation company Jain Irrigation Systems Ltd. has bagged 13 export awards in different verticals groups of plastic products in the three groups adumbrated by the PLEXCONCIL. The felicitation function was held at Hotel Taj President, Cuffe Parade, Mumbai, by the Plastic Export Promotion Council (PLEXCONCIL) for 2017-18, 2018-19, 2019-20 and 2020-21.

THANKS

Disclaimer

The information in this release has been included in good faith and is for general purposes only. It should not be relied upon for any specific purpose and no representation or warranty is given as regards to its accuracy or completeness. No information in this press release shall constitute an invitation to invest in Jain Irrigation Systems Limited. Neither Jain Irrigation Systems Limited, nor their or their affiliates' officers, employees or agents shall be liable for any loss, damage or expense arising out of any action taken on the basis of this release, including, without limitation, any loss of profit, indirect, incidental or consequential loss.