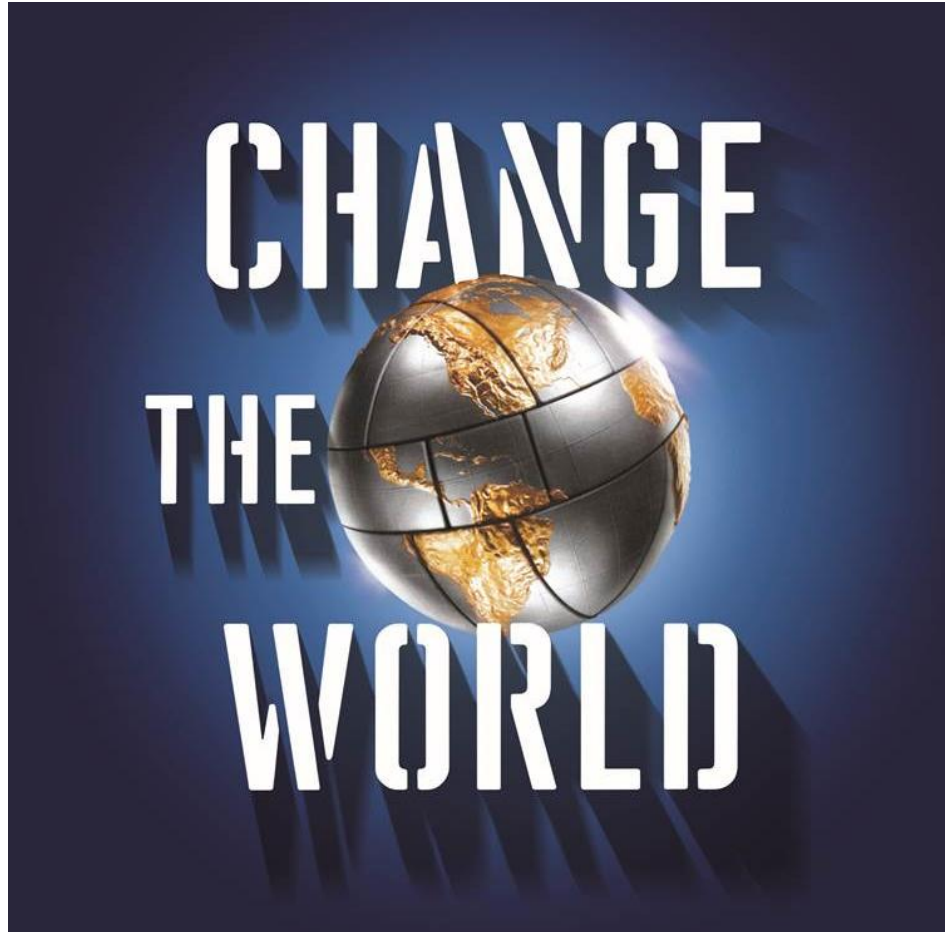


# Doing Well By Doing Good



In first ever Fortune 'Change The World' list of 2015, Jain Irrigation ranks 7th among 51 companies of the world

**INVESTOR COMMUNICATION : 2QFY16 & 1HFY16**

# Recent Development:

## Equity raise transaction of USD 120 Mn

Particulars	Food Business equity raise (JFFFL)	Equity raise in JISL
<b>Investor</b>	Funds managed by Mandala Capital Limited (“Mandala”)	Mandala; and Promoter
<b>Amount of investment</b>	USD 60 Mn (by way of compulsorily convertible debentures – CCDs)	USD 43.2 Mn – by Mandala (Equity and CCDs) USD 16.8 Mn - by Promoters (Warrants)
<b>Valuation</b>	Enterprise valuation of INR 2,500 Cr to 3,000 Cr	Allotment at INR 80 per share. Premium to current market price
<b>Expected dilution</b>	Expected investor stake 14.08% to 17.13%	Expected dilution 10% to 11%
<b>Purpose</b>	Demonstrates the intrinsic value Food Business within JISL which itself is almost equivalent to JISL’s current market cap  Funds to support organic and Inorganic growth of the food business	Funds to support balance sheet strengthening and growth

- Expected annual interest saving of INR 70 Cr to 80 Cr
- Over next few quarters, expected D:E Ratio of less than 1:1 on standalone basis and close to 1:1 on consolidated basis

# Standalone Performance Overview : 2QFY16

- Standalone revenue grew by 1.5%. Domestic business expanded by 1.9%. Exports revenue is almost same on Y-o-Y basis.
- Pipe Business has continued to show strong progress of 26.1% increase as compared to same quarter in the last year. This growth was again lead by PE Pipe division which saw 67.7% growth as compared with same quarter in the last year on account of large orders from institutional players.
- Overall Micro Irrigation Systems (MIS) business de-grew by 19.4% in this quarter. This is on account of de-growth in exports and projects, while retail business grew by 5.5%. Recently, Company received large order for Solar based Agri-Pumps for INR 4,730 Mn to be completed in next 6 to 12 months. This will help the project division in second half. Other new projects are still under negotiations. Low growth in retail and specifically in Maharashtra is due to water shortage in irrigated area, followed by poor monsoon and sugarcane crisis.
- On account of higher lifting by domestic and export customers, overall revenue from the Food Processing Division increased by 16.7% as compared with 2QFY15.
- Amongst the remaining businesses, Tissue Culture grew by 36.8% and Solar Business grew by 8.5%.
- Net loss for the quarter is INR 272.0 Mn against net loss of INR 194.2 Mn in the same quarter last year. Adjusted loss i.e., excluding foreign exchange adjustment reduced to INR 4.6 Mn from net loss of INR 31.4 Mn in the same quarter last year.

# Standalone Performance Overview : 1HFY16

- Standalone revenue grew by 5.2% led by growth in Domestic Business by 7.5%. Export remained subdued during this period.
- Pipe Business has shown strong progress of 23.5% increase as compared to 1HFY15. This growth is lead by PE Pipe division which saw 83.8% growth on account of large institutional sales.
- Overall Micro Irrigation Systems (MIS) business de-grew by 6.4% on account of 4.2% de-growth in domestic and 28.5% de-growth in export markets. However, within domestic, retail business improved by 7.4% whereas projects business de-grew by 33.4%.
- Revenue from the Food Processing Division improved by 5.3%. Within this, Fruit Processing grew by 19.8% however, Vegetable Dehydration de-grew by 19.8%.
- Amongst the remaining businesses, Tissue Culture grew by 46.9% and Solar business grew by 5.9%.
- Net loss for the first half is INR 67.8 Mn against net loss of INR 33.0 Mn. However, adjusted PAT i.e., excluding foreign exchange adjustment is INR 316.7 Mn as compared to INR 129.8 Mn last year, showing 144% growth.
- Net Debt has gone up by INR 2.26 Bn as compared to June -15 due to seasonality (includes FX MTM impact of INR 298 Mn)

# Consolidated Performance Overview

## 2QFY16

- Overall revenue improved by 4.0%. EBIDTA grew by 0.7%.
- MIS de-grew by 11.8%, however Food Processing, Pipes and Other businesses expanded by 20.0%, 26.0% and 9.2%, respectively.
- Contribution of overseas markets in consolidated revenue is at 51%.
- Revenue from overseas markets grew by 6.1%.
- Net loss is INR 294.8 Mn as compared to net loss of INR 235.9 Mn for corresponding quarter last year. FX Adjusted net profit is at INR 65.6 Mn as compared to loss of INR 24.2 Mn for corresponding quarter last year

## 1HFY16

- Overall revenue improved by 3.3%. EBIDTA grew by 5.8%.
- MIS de-grew by 6.1%, however Food Processing, Pipes and Other businesses grew by 7.3%, 23.4% and 2.6%, respectively.
- Contribution of overseas market in consolidated revenue is at 45%.
- Revenue from overseas markets de-grew by 1.4%.
- Net loss is at INR 107.2 Mn as compared to net loss of INR 34.6 Mn for corresponding first half last year. FX Adjusted net profit is at INR 500.4 Mn as compared to INR 219.5 Mn for corresponding first half of the last year.

# Financial Performance : 2QFY16

Standalone INR Mn	2QFY16	2QFY15
Revenue <sup>^</sup>	8,596	8,472
EBIDTA	1,364	1,340
Reported PAT	(272)	(194)
Cash PAT*	180	248

<sup>^</sup> including other operating income and excise duty

\*PAT + Depreciation

## Highlights

- Revenue increased by 1.5%
- EBIDTA for 2QFY16 is at 15.9 % as against 15.8% in 2QFY15
- EBIDTA grew by 1.8% YoY basis

Consolidated INR Mn	2QFY16	2QFY15
Revenue <sup>^</sup>	13,453	12,936
EBIDTA	1,703	1,692
Reported PAT	(295)	(236)
Cash PAT*	340	376

<sup>^</sup> including other operating income and excise duty

\*PAT + Depreciation

## Highlights

- Revenue increased by 4.0%
- EBIDTA grew by 0.7% YoY basis
- Cash PAT decreased by 9.6%. However, forex adjusted net loss reduced from INR 24.2 Mn in 2QFY15 to net profit of INR 65.6 Mn

# Financial Performance : 1HFY16

Standalone INR Mn	1HFY16	1HFY15
Revenue <sup>^</sup>	20,003	19,009
EBIDTA	3,224	2,963
Reported PAT	(68)	(33)
Cash PAT*	826	871

<sup>^</sup> including other operating income and excise duty

\*PAT + Depreciation

## Highlights

- Revenue increased by 5.2%
- EBIDTA for 1HFY16 is at 16.1% as against 15.6% in 1HFY15
- EBIDTA grew by 8.8% YoY basis
- Cash PAT decreased by 5.1%. However, forex adjusted PAT increased by 144.0%

Consolidated INR Mn	1HFY16	1HFY15
Revenue <sup>^</sup>	29,810	28,870
EBIDTA	4,020	3,798
Reported PAT	(107)	(35)
Cash PAT*	1,141	1,192

<sup>^</sup> including other operating income and excise duty

\*PAT + Depreciation

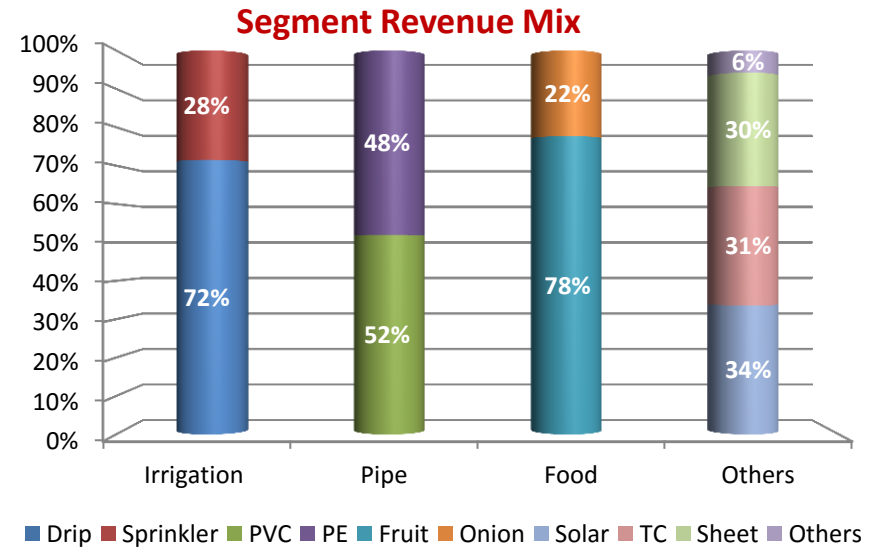
## Highlights

- Revenue increased by 3.3%
- EBIDTA for 1HFY16 is at 13.5 % as against 13.2% in 1HFY15
- EBIDTA grew by 5.8% YoY basis
- Cash PAT decreased by 4.2%. However, forex adjusted PAT increased by 127.9%

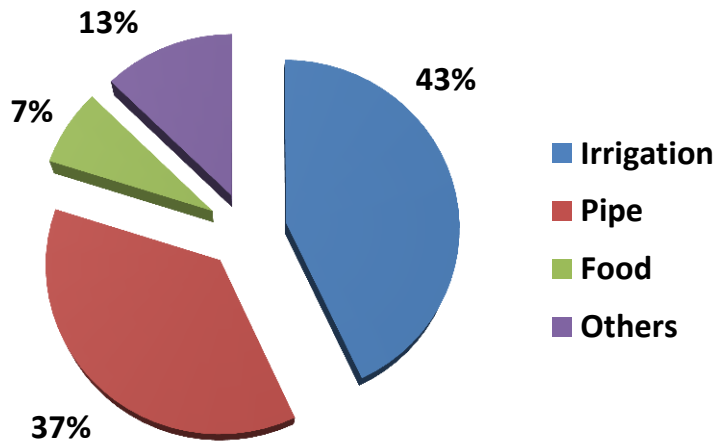
# Overview - Standalone Revenue^ : 2QFY16

Geography	Mix %	YoYG %
Domestic	77%	1.9%
Export	23%	0.1%
<b>Total</b>	<b>100%</b>	<b>1.5%</b>

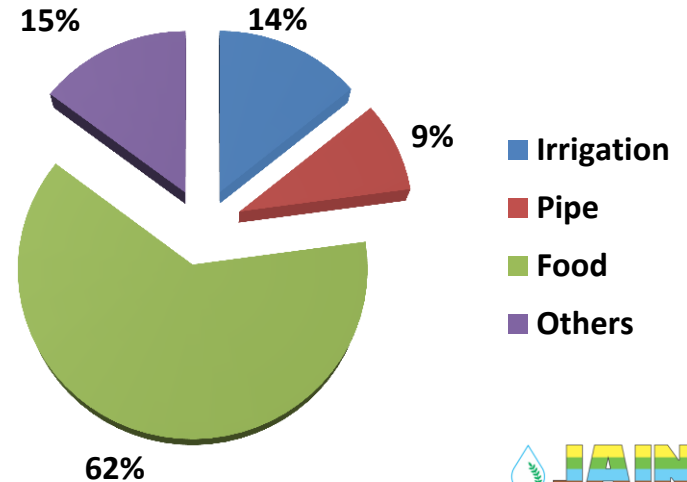
^ Including other operating income & excise duty



## Domestic Revenue Contribution



## Export Revenue Contribution

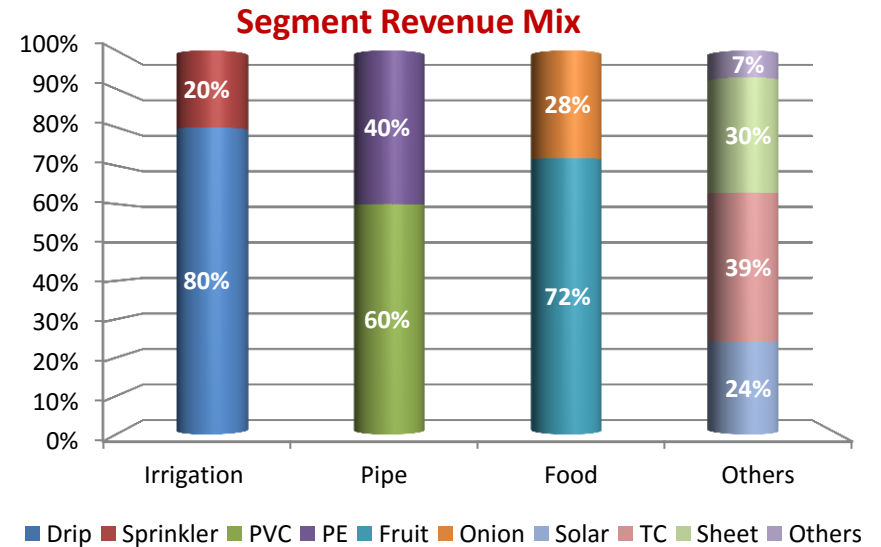




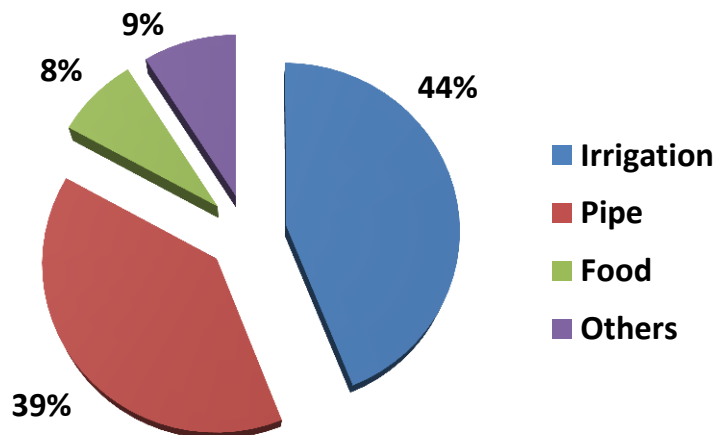
# Overview - Standalone Revenue^ : 1HFY16

Geography	Mix %	YoYG %
Domestic	81%	7.5%
Export	19%	-3.6%
<b>Total</b>	<b>100%</b>	<b>5.2%</b>

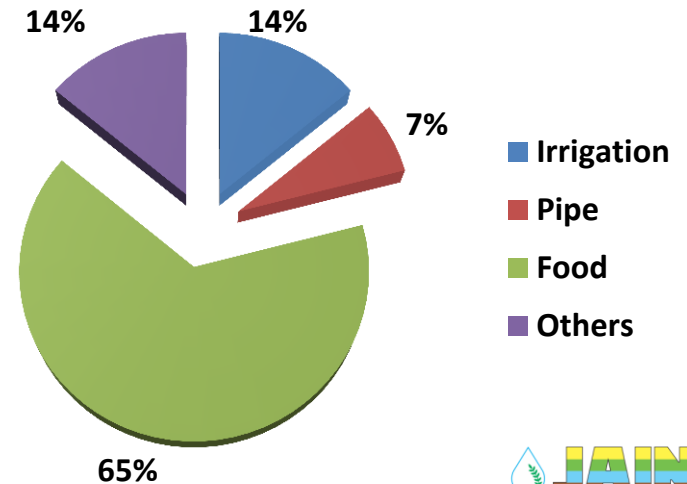
^ Including other operating income & excise duty



## Domestic Revenue Contribution



## Export Revenue Contribution



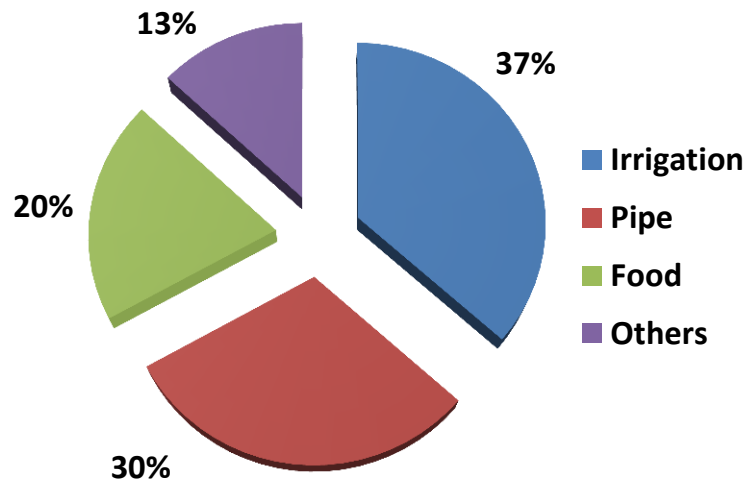
# Overview - Consolidated Revenue^ : 2QFY16

Geography	Mix %	YoYG %
India	49%	1.9%
Rest of the World#	51%	6.1%
<b>Total</b>	<b>100%</b>	<b>4.0%</b>

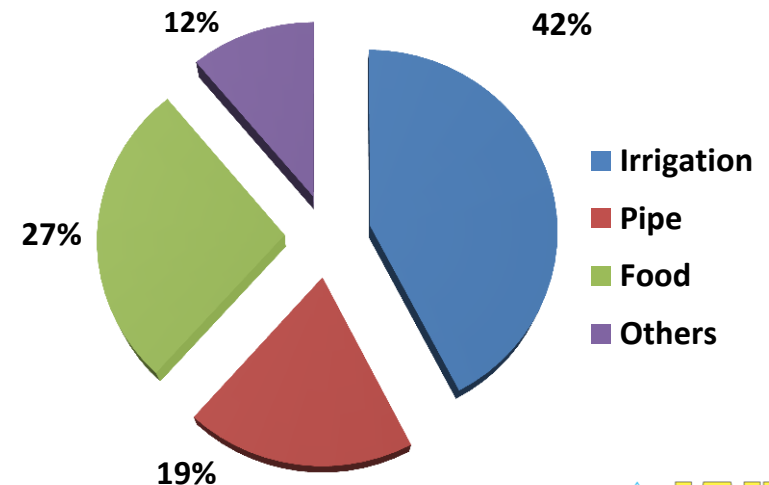
^ Including other operating income & excise duty

# Including exports from India

**India Standalone Revenue Contribution**



**Consolidated Revenue Contribution**



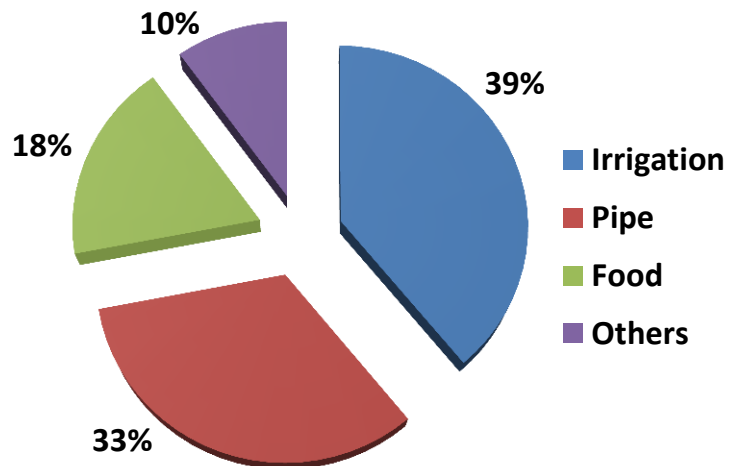
# Overview - Consolidated Revenue^ : 1HFY16

Geography	Mix %	YoYG %
India	55%	7.5%
Rest of the World <sup>#</sup>	45%	-1.4%
<b>Total</b>	<b>100%</b>	<b>3.3%</b>

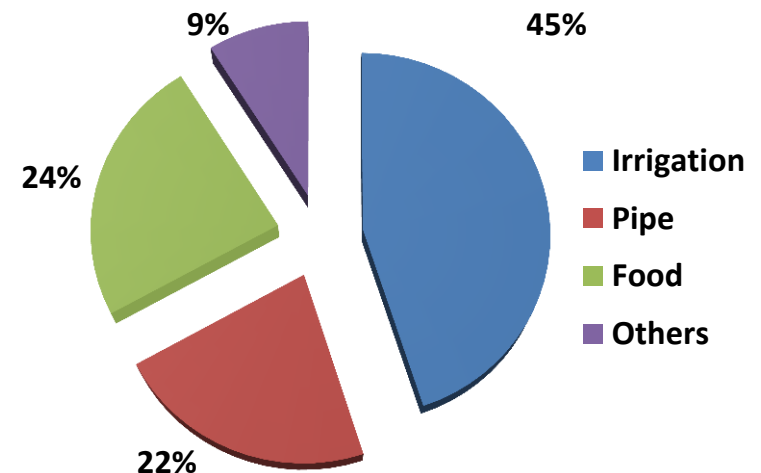
<sup>^</sup> Including other operating income & excise duty

<sup>#</sup> Including exports from India

**India Standalone Revenue Contribution**



**Consolidated Revenue Contribution**



# Net Debt Position

INR Bn.	Debt_30.09.15	Debt_30.06.15	Change (QoQ)	Debt_30.09.14
<b>Standalone (Total)</b>	<b>31.45</b>	<b>29.19</b>	<b>2.26</b>	<b>31.63</b>
Long Term	16.71	15.78	0.93	14.52
Short Term	14.74	13.41	1.33	17.11
<b>Consolidated (Total)</b>	<b>42.68</b>	<b>40.21</b>	<b>2.47</b>	<b>42.43</b>
Long Term	20.47	19.52	0.95	18.51
Short Term	22.21	20.69	1.52	23.92

- Cash in hand has been netted from short term loans
- Forex MTM negative impact in 2QFY16: Standalone ~INR 298 Mn & Consolidated ~INR 278 Mn included above
- 36% of net debt (standalone) & 53% of net debt (consolidated) is in a foreign currency as of September 2015

## Standalone Long Term Foreign Currency Loan (FCL) Repayment Schedule (excluding FCCB of US\$ 50 million maturing in Sept 2017 and Apr 2018)

Year	FY16 (6m)	FY17	FY18	FY19	FY20-23	Total
Eq. US Dollar Mn	15.07	28.65	26.24	22.38	29.50	<b>121.85</b>

### Note:

- The Company has hedged USD 29.67 Mn of its long term foreign currency loans
- In addition, the Company has natural hedge for remainder amount by way of net foreign exchange earning from its exports

# Working Capital Analysis : 2QFY16

## Standalone:

Days	DSO^_30.09.15			DSO^_30.06.15			DSO^_30.09.14		
	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*
Irrigation	92	187	194	92	187	205	102	211	255
Pipe	42	69	8	48	70	(16)	37	49	(11)
Food	251	122	251	263	118	236	276	102	195
Other	179	190	299	182	172	222	178	145	252
<b>Total</b>	<b>114</b>	<b>136</b>	<b>154</b>	<b>118</b>	<b>136</b>	<b>143</b>	<b>121</b>	<b>138</b>	<b>165</b>

## Consolidated:

Days	DSO^_30.09.15			DSO^_30.06.15			DSO^_30.09.14		
	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*
<b>Total</b>	<b>120</b>	<b>108</b>	<b>145</b>	<b>121</b>	<b>109</b>	<b>139</b>	<b>121</b>	<b>115</b>	<b>158</b>

^ Based on last 4 quarter Revenue

\* Net Working Capital = Inventory + Accounts Receivable – Accounts Payable – Bills Discounted

# MIS Analysis

## MIS - Revenue

INR in Millions	2QFY16	2QFY15	Change YoY %
Retail & Institution	2,367	2,243	5.5%
Project	498	1,322	-62.3%
<b>Domestic Total</b>	<b>2,865</b>	<b>3,565</b>	<b>-19.6%</b>
Export	274	331	-17.3%
<b>Total</b>	<b>3,139</b>	<b>3,896</b>	<b>-19.4%</b>

## MIS – Receivables

INR in Millions	31-Mar-13	31-Mar-14	31-Mar-15	30-Jun-15	30-Sep-15	Change QoQ
Retail & Institution	2,753	3,531	2,817	2,582	2,392	(189)
Project	2,418	3,433	2,967	3,271	3,109	(161)
Govt. Subsidy	7,056	3,923	2,656	2,982	2,920	(62)
Export	443	988	837	522	555	33
<b>Total</b>	<b>12,670</b>	<b>11,875</b>	<b>9,277</b>	<b>9,357</b>	<b>8,977</b>	<b>(380)</b>

# In the News

Read More: <http://www.jains.com/Company/News/news.htm>

DOING  
WELL  
BY  
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GOOD

## Jain Irrigation plans to raise INR 792 crores through Equity Issuance

JISL along with Jain Farm Fresh Foods Limited (“JFFFL”) today announced plans to raise equity of approximately USD 120 million (approximately INR 792 crores) with the primary purpose of accelerating balance sheet strengthening and providing growth capital for JFFFL, the newly formed, wholly owned global food subsidiary

## Winning Worlds largest Solar Pump order for INR 473 crores from Government of Maharashtra to be executed in next 12 months.

JISL has bagged Maharashtra State Electricity Distribution Co. Ltd’s (“MSEDCL”) most awaited tender for supply and installation of 8,959 Solar Agri-Pumps

## Signing 3 year Contract with Hindusthan Coca-Cola for approx INR 750 crores to supply Mango Pulp.

JISL has signed a 3 year Supply Contract for supply of Mango Pulp with Hindustan Coca-Cola Beverages Ltd (HCCBPL)

## Hystra’s Smallholder Farmers and Business Report 2015

Hystra’s Smallholder Farmers and Business Report 2015 has been published recently. From the world over only 15 companies have been shortlisted and covered in this report, Jain Irrigation Systems Ltd. is One among them

## Make in India prize bestowed upon Jain Irrigation Systems Ltd

Crazy Mantra Group’ felicitated ‘Jain Irrigation’ by awarding ‘Make in India’ prize for adopting indigenous technology to imprint on world map in the field of agriculture and bio-technology

## The Water for Food Institute & Jain Irrigation launch joint research & education program

Jain Irrigation Systems Ltd. of India and the Robert B. Daugherty Water for Food Institute at the University of Nebraska have announced a joint international research and education partnership



# Disclaimer

- Some of the statements in this presentation contain forward looking information that involve a number of risks and uncertainties. Such statements are based on a number of assumptions, estimates, projections or plans that are inherently subject to significant risks, as well as uncertainties and contingencies that are subject to change. Actual results can differ materially from those anticipated in the Company's forward-looking statements as a result of a variety of factors, including those set forth from time to time in the Company's press releases and reports and those set forth from time to time in the Company's analyst calls and discussions. We do not assume any obligation to update the forward-looking statements contained in this presentation.
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