

**JAIN IRRIGATION SYSTEMS LIMITED**  
**INVESTOR COMMUNICATION : 1QFY16**

# Standalone Performance Overview : 1QFY16

- Standalone revenue grew by 8.3% led by growth in Domestic Business by 11.7%. Export remained subdued during the current quarter
- Pipe Business has shown strong progress of 21.9% increase as compared to same quarter in the last year. This growth was lead by PE Pipe division which saw 2X growth as compared with Q1FY15 on account of large orders from telecom players
- Domestic Micro Irrigation Systems (MIS) business achieved growth of 9.6% in this quarter. However, overall MIS business grew only by 5.1% due to yet to take off of 'Export' demand
- Revenue from the Food Processing Division remained flat (-3.1%). However Q1FY15 was characterized by above average lifting of fruit pulp by some of the domestic customers. The Company still managed to maintain sales levels in fruit processing by focusing on export market recording 92.1% growth
- By end of June 2015, the Company already has confirmed order book of ~INR 4,954 Mn against the estimated production of ~INR 5,500 Mn for Mango products in this season
- Amongst the remaining businesses, Tissue Culture grew by 56.7% due to capacity expansion during FY15
- Standalone EBIDTA was at INR 1,860 Mn for current quarter against INR 1,624 Mn in corresponding quarter in the previous year
- PAT for the quarter is INR 204 Mn against PAT of INR 161 Mn. Adjusted PAT i.e., excluding foreign exchange adjustment is INR 321 Mn as compared to INR 158 Mn last year
- Net Debt has gone up by INR 0.6 Bn as compared to Mar-15 due to seasonal inventory build up in food division
- Results are not comparable on sequential basis due to seasonality e.g., 4<sup>th</sup> Quarter is strongest for the business
- Untimely rains and early monsoon affected demand for fruit pulp and irrigation business

## Consolidated Performance Overview : 1QFY16

- Overall revenue grew by 2.7%
- MIS, Food Processing and Other businesses de-grew by -1.4%, -3.5% and -4.2%, respectively
- Contribution of overseas market in consolidated revenue is at 41%
- Revenue from overseas operations de-grew by 8.3% partly due to seasonal factors
- Overall EBIDTA margin increased to 14.2% as compared with corresponding quarter of 13.2%
- PAT is decreased to INR 188 Mn as compared to INR 201 Mn of corresponding quarter last year due to forex impact
- Adjusted PAT i.e., excluding foreign exchange adjustment is INR 435 Mn as compared to INR 244 Mn last year
- Increase in revenue in various geographies. De-growth is reflection of currency depreciation against USD
- For FY16, all overseas businesses are expected to maintain original forecast of double digit growth

# Financial Performance : 1QFY16

Standalone INR Mn	1QFY16	1QFY15
Revenue^	11,408	10,537
EBIDTA	1,860	1,623
Reported PAT	204	161
Cash PAT*	647	623

*^ including other operating income and excise duty*

*\*PAT + Depreciation*

## Highlights

- Revenue increased by 8.3%
- EBIDTA for 1QFY16 is at 16.3 % as against 15.4% in 1QFY15 increase of 90 basis point
- EBIDTA grew by 14.6% YoY basis
- Cash PAT increased by 3.9%. However, forex adjusted PAT increased by 103.2%

Consolidated INR Mn	1QFY16	1QFY15
Revenue^	16,357	15,934
EBIDTA	2,317	2,106
Reported PAT	188	201
Cash PAT*	801	815

*^ including other operating income and excise duty*

*\*PAT + Depreciation*

## Highlights

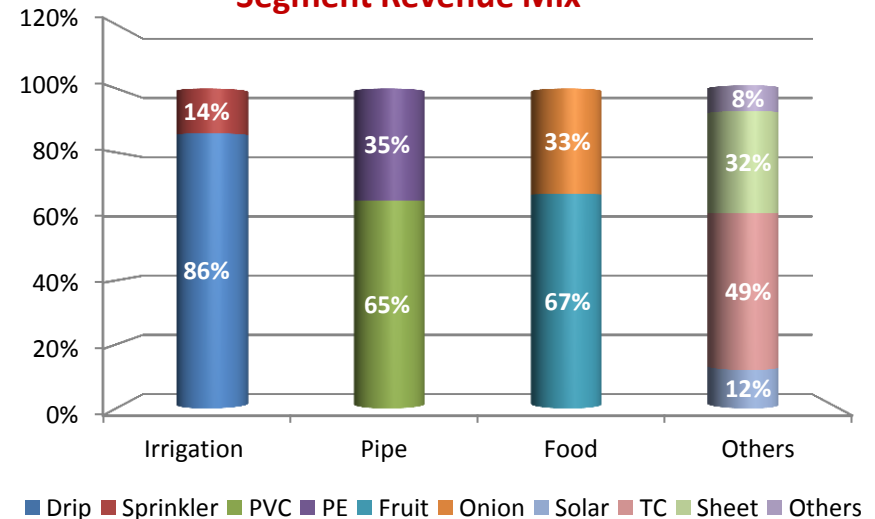
- Revenue increased by 2.7%
- EBIDTA for 1QFY16 is at 14.2% as against 13.2% in 1QFY15 increase of ~100 basis point
- EBIDTA grew by 10% YoY basis
- Cash PAT decreased by 1.8%. However, forex adjusted PAT increased by 78.4%

# Overview - Standalone Revenue^ : 1QFY16

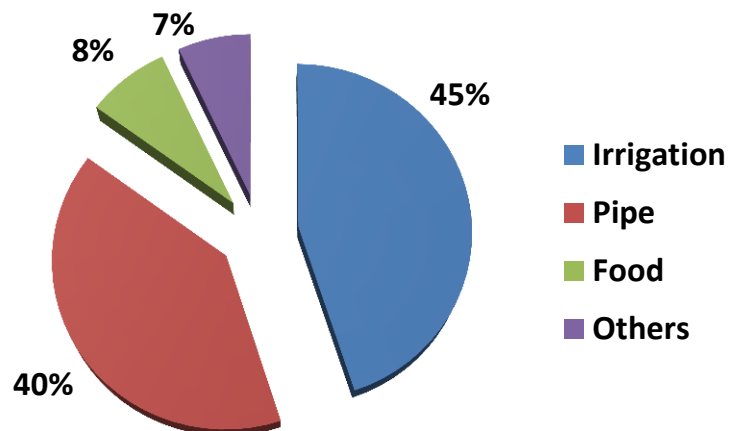
Geography	Mix %	YoYG %
Domestic	85%	11.7%
Export	15%	-7.4%
<b>Total</b>	<b>100%</b>	<b>8.3%</b>

^ Including other operating income & excise duty

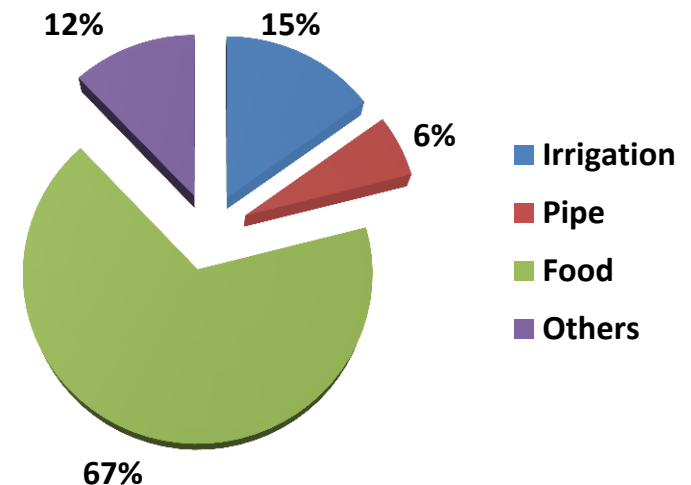
## Segment Revenue Mix



## Domestic Revenue Contribution



## Export Revenue Contribution



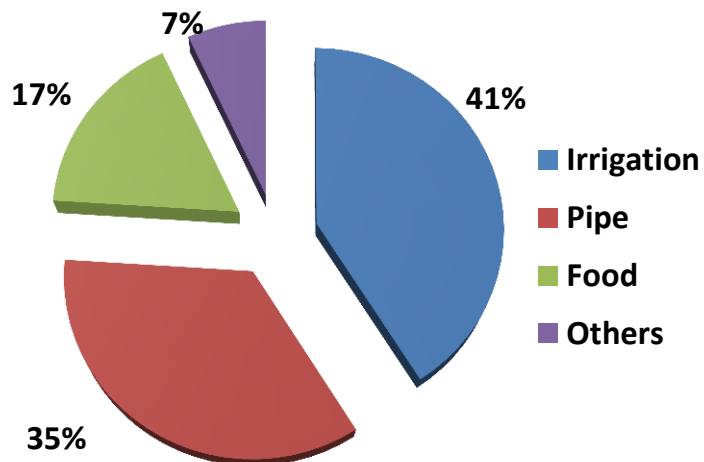
# Overview - Consolidated Revenue^ : 1QFY16

Geography	Mix %	YoYG %
India	59%	11.7%
Rest of the World <sup>#</sup>	41%	-8.1%
<b>Total</b>	<b>100%</b>	<b>2.7%</b>

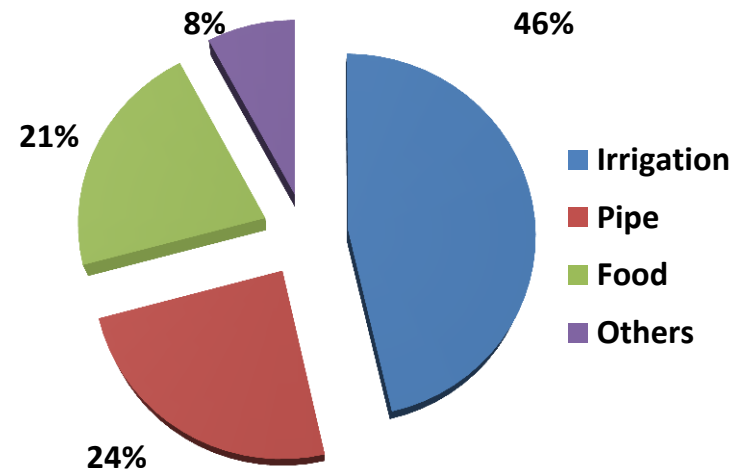
<sup>^</sup> Including other operating income & excise duty

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

**India Standalone Revenue Contribution**



**Consolidated Revenue Contribution**



## Net Debt Position

INR bn.	Debt_30.06.15	Debt_31.03.15	Change (QoQ)	Debt_30.06.14
<b>Standalone (Total)</b>	<b>29.19</b>	<b>28.58</b>	<b>0.61</b>	<b>29.44</b>
Long Term	15.78	16.05	(0.27)	14.56
Short Term	13.41	12.53	0.88	14.88
<b>Consolidated (Total)</b>	<b>40.21</b>	<b>39.27</b>	<b>0.95</b>	<b>39.76</b>
Long Term	19.52	19.91	(0.38)	18.48
Short Term	20.69	19.36	1.33	21.28

- Cash in hand has been netted from short term loans
- Forex MTM negative impact: Standalone ~INR 240 Mn & Consolidated ~INR 380 Mn included in above debt position
- 38% of net debt (standalone) & 57% of net debt (consolidated) is in a foreign currency as of June 2015

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

Year	FY16 (9m)	FY17	FY18	FY19	FY20-23	Total
Eq. US Dollar Mn	17.83	28.83	26.42	22.48	29.50	125.07

**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 : 1QFY16

## Standalone:

Days	DSO^_30.06.15			DSO^_31.03.15			DSO^_30.06.14		
	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*
Irrigation	92	187	205	85	188	217	103	243	235
Pipe	48	70	(16)	44	90	(1)	37	44	(20)
Food	263	118	236	157	133	197	264	87	176
Other	182	172	222	192	185	257	178	158	226
<b>Total</b>	<b>118</b>	<b>136</b>	<b>143</b>	<b>95</b>	<b>147</b>	<b>151</b>	<b>118</b>	<b>145</b>	<b>144</b>

## Consolidated:

Days	DSO^_30.06.15			DSO^_31.03.15			DSO^_30.6.14		
	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*
<b>Total</b>	<b>121</b>	<b>109</b>	<b>139</b>	<b>107</b>	<b>115</b>	<b>144</b>	<b>119</b>	<b>122</b>	<b>145</b>

^ Based on last 4 quarter Revenue

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

# MIS Analysis

## MIS - Revenue

INR in Millions	1QFY16	1QFY15	Change YoY %
Retail & Institution	3,445	3,170	8.7%
Project	929	823	13.0%
<b>Domestic Total</b>	<b>4,375</b>	<b>3,993</b>	<b>9.6%</b>
Export	258	413	-37.5%
<b>Total</b>	<b>4,633</b>	<b>4,406</b>	<b>5.1%</b>

## MIS – Receivables

INR in Millions	31-Mar-13	31-Mar-14	30-Jun-14	31-Mar-15	30-Jun-15	Change QoQ
Retail & Institution	2,753	3,531	3,282	2,817	2,582	(235)
Project	2,418	3,433	4,028	2,967	3,271	303
Govt. Subsidy	7,056	3,923	3,362	2,656	2,982	326
Export	443	988	799	837	522	(315)
<b>Total</b>	<b>12,670</b>	<b>11,875</b>	<b>11,471</b>	<b>9,277</b>	<b>9,357</b>	<b>80</b>

# In the News

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

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## **Jain Irrigation – A Cover story in Business India magazine – June 8-21 2015**

Read the cover story - A Model For Rural Success

## **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. The cooperation will provide new funding for University of Nebraska faculty, graduate students and post-doctoral research scholars to collaborate closely with Jain Irrigation scientists on critical water and food security issues

## **The contributions of Jain Irrigation towards brighter future of agriculture are Immeasurable - CM**

The Chief Minister of Maharashtra, Mr. Devendra Phadnavis, while inaugurating the new IQF Plant of Fruits and Vegetables in Food Park Division of Jain Irrigation, highly praised the priceless contributions of Mr. Bhavarlal Jain, the Founder Chairman of Jain Irrigation, towards building a brighter future for Indian Agriculture

## **A village in Maharashtra farms almost fully with drip irrigation**

JARANDI GETS barely 750 mm of annual rainfall, well below the national average of 1,175 mm. Yet, this village in Soegaon taluka of Maharashtra's Aurangabad district has the unique distinction of almost its entire cultivable area being under drip irrigation

## **Fields of Shared Prosperity**

The Drip irrigation model of Jain Irrigation has turned Jalgaon into the banana bowl of the country. It has a lesson for the govt in handling agri businesses

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