

JISL/SEC/2021/03/B-2,B-6

30.03.2022

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

**Sub: Press Release for Implementation of Debt Resolution Plan (RP) of Jain Irrigation Systems Limited**

Dear Sir/Madam,

Attached is the Press Release being issued by the Company entitled "Implementation of Debt Resolution Plan (RP) of Jain Irrigation Systems Limited" for your record and reference

Please acknowledge.

Thanking you,

**For Jain Irrigation Systems Ltd.**



A. V. Ghodgaonkar  
**Company Secretary**

## Implementation of Debt Resolution Plan (RP) of Jain Irrigation Systems Limited

Jain Irrigation Systems Limited ("the Company") has successfully implemented the Debt Resolution effective on March 25, 2022. It was approved and announced in the Joint Lenders Meeting on March 29<sup>th</sup>, 2022 after fulfilling all Conditions Precedent as per the Master Restructuring Agreement (MRA) signed on 10<sup>th</sup> February 2022.

On completion of this debt restructuring, normalcy has been restored to the accounts under the loan facilities granted by all lenders of the Company, and all past irregularities and defaults stand cured.

The Debt Resolution was invoked on June 30, 2019 after a series of consultations with lenders. It was triggered due to certain delays in debt servicing, induced by extended working capital cycles faced by the Company due to delay in receipts from governments.

### Key highlights -

- RP has been implemented as per the Notification of Prudential Framework for Resolution of Stressed Assets issued by Reserve Bank of India on June 7, 2019.
- The plan has received RP4 rating from ICRA and CRISIL.
- Debt Restructuring has been completed with unanimous approval of all secured lenders.
- The total amount of the debt restructured is INR 3,878 crores.
- About 40% of the total debt has been converted into long term Non-Convertible Debentures at an interest rate of 0.01%.
- Proposed infusion of equity by promoters along with investors ~ INR 267 crores ~ 40% already infused; balance infusion expected over the period of 18 months.
- Approximately 7.89 crores ordinary equity shares issued to the lenders.
- During this period the Company has also restructured overseas bonds of 200 million USD.

Company will share more details once books of accounts are audited as per the relevant accounting standards at the end of current fiscal year.

Impact on the Company & its performance going forward:

- Access to additional working capital facilities of approximately 300 crores.
- Significantly reduced Interest cost
- Deferred payments to the lenders, improved fund flow for business.
- Overall improvement in the operations and performance of the company.

Anil Jain, MD & CEO said I am very pleased to say that “Consortium of lenders led by State Bank of India and the Company have worked together to protect the interest of all the stakeholders. The journey of this RP from its inception till implementation has been arduous. However, the belief and trust of all the stakeholders and more particularly of the lenders in the management; and the untiring efforts at everyone’s end involved in the process has helped the company and its management to sail through this phase and achieve successful implementation of the Resolution Plan.

The Debt Resolution exercise involved a series of chronological steps and evaluations by lenders and financial agencies. The period coincided with the onslaught of COVID-19 and, hence, certain steps in the process took extended time to closure. However, the Company and the lenders and agencies found ingenious/workable solutions to coordinate and communicate during the challenging period. There were several iterations of certain processes and the Company is pleased to mention that these were concluded satisfactorily at all stages.

The demand environment for the core business of Micro Irrigation Systems and Plastic Pipes is very robust and the Company is confident to regain and increase market share in future.

The Debt Resolution exercise has also been a learning for the Company in two critical areas - working capital management and cost control. Various measures are being implemented to improve these metrics. On the operational front, the Company has identified areas of business which offer high growth and are in sync with available production capacity and plans to focus on the same. The Company has reconstructed its business model towards a more sustainable and profitable direction.



As we move in next phase, I would like to state that the Company and its management continue to be committed to fulfill all its obligations towards each of its stakeholders; and with this correction in the debt structure and strengthening of balance sheet, we will strive to create shareholder value. I would like to thank all stakeholders for their continued faith and support in the Company and the work that we do.”

**About Jain Irrigation Systems Ltd:**

Our Company, Jain Irrigation Systems Limited (JISL) with its motto ‘Small Ideas, Big Revolutions’ with more than 10,500+ associates worldwide and revenue of ~USD 1 Billion, is an Indian multinational company with manufacturing plants in 30 locations across the globe. JISL, its subsidiaries and associates are engaged in providing solutions in agriculture, piping, infrastructure through manufacturing of Micro Irrigation Systems, PVC Pipes, HDPE Pipes, Plastic Sheets, Agro Processed Products, Renewable Energy Solutions, Tissue Culture Plants, Financial Services and other agricultural inputs since more than 34 years. It has pioneered a silent Productivity Revolution with modern irrigation systems and innovative technologies in order to save precious water and has helped to get significant increase in crop yields, especially for more than 6 million small farmers. It has also ushered in new concept of large scale Integrated Irrigation Projects (IIP). ‘More Crop Per Drop™’ is the company’s approach to water security and food security.

JISL is early pioneer for IOT in the agri-sector and is leading efforts to create global solutions with precision agriculture. Its food brand ‘Jain FarmFresh’ is well known all over the world for quality and consistency. All the products and services of JISL help create a sustainable future while fulfilling its vision to ‘Leave this world better than you found it’. JISL is listed in NSE–Mumbai at JISLJALEQS and in BSE at code 500219. Please visit us at [www.jains.com](http://www.jains.com)

**DISCLAIMER:**

*This document may contain statements that could be construed as forward-looking. Such forward-looking statements are subject to certain risks and uncertainties like significant changes in economic environment in India and overseas, tax laws, import duties, litigation, labour relations etc. Actual results might differ substantially from those expressed or implied. Jain Irrigation Systems Ltd will not be in any way responsible for any action taken based on such statements and discussions; and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

