

JISL/SEC/2020/02/B-2, B-6

14.02.2020

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)

Fax No. : 022-26598237/38  
Email : [cmlist@nse.co.in](mailto:cmlist@nse.co.in)

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

**Sub: Press Release and Investor Communication.**

Dear Sir,

Attached is the:

1. Press Release issued by the Company after the Board Meeting held on Friday, 14<sup>th</sup> February, 2020 for adopting Unaudited Standalone and Consolidated Financial Working Results for the quarter/nine months ended 31<sup>st</sup> December, 2019.
2. Investor Communication issued by the Company after the Board Meeting held on Friday, 14<sup>th</sup> February, 2020.

for your record and reference.

Please acknowledge.

Thanking you,

Yours faithfully,  
For Jain Irrigation Systems Ltd.



A. V. Ghodgaonkar  
Company Secretary

For immediate dissemination

14<sup>th</sup> February, 2020

## Press Release

### Un-Audited Standalone and Consolidated Financial Results For the quarter ended December 31, 2019

INR Mn

Particulars	Q3 FY20 (Consolidated)	Q3 FY19 (Consolidated)	Q3 FY20 (Standalone)	Q3 FY19 (Standalone)
Revenue	13,000	20,377	3,524	10,985
EBIDTA	-819	2,722	-943	2,011
PAT	-2,838	915	-1,832	630

INR Mn

Particulars	9M FY20 (Consolidated)	9M FY19 (Consolidated)	9M FY20 (Standalone)	9M FY19 (Standalone)
Revenue	45,796	59,939	15,763	31,082
EBIDTA	2,680	8,213	685	5,598
PAT	-3,953	1,981	-2,801	1,522

Jain Irrigation Systems Limited, the largest Micro Irrigation Systems Company in the country and second largest globally, has announced un-audited standalone and consolidated results for third quarter of FY 2020.

#### Highlights of Q3:

- Consolidated Revenue for Q3 of INR 13,000 Mn with negative EBITDA
- Consolidated Revenue for 9m Dec 2019 of INR 45,796 Mn and EBIDTA of INR 2,680 Mn
- Standalone operations impacted by tight liquidity
- Debt Resolution is progressing with lenders
- Reduction in receivables in the quarter
- Generated free cash flow of INR 150 Mn in Q3 on consolidated basis

For more information on the financials, kindly visit [www.jains.com](http://www.jains.com)

Registered Office: Jain Plastic Park, National Highway No. 6, Bambhori, Jalgaon 425 4001.

Tel: +91-257-225801 Fax: +91-257-225811

E-mail: [jisl@jains.com](mailto:jisl@jains.com) Visit us at [www.jains.com](http://www.jains.com)

CIN: L29120MH1986PLC042028







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

*“Due to delay in collections from various government customers since end of 2018, the standalone Company continued to face the consequences of default in debt servicing during the third quarter. As a result, the operations and financials of the Company were sub par in the quarter. The revenue in Q4, however, would be higher than Q3.*

*The Company’s lenders signed an Inter Creditor Agreement in the previous quarter, as per RBI circular of 7<sup>th</sup> June 2019, and the Company has been engaged with the lenders on the resolution plan on a proactive basis. A formal resolution process involving lenders and professional advisors is ongoing to approve the resolution plan. The same is likely to be completed in near future subject to regulatory compliances and internal approvals of lenders. As on end of the quarter, the Company has overdues to the working capital and term loan lenders aggregating Rs 5,257 million which is part of resolution plan. As at December 31, 2019, standalone and consolidated net worth of the Company stand at Rs 44,441 million and Rs 39,327 million respectively. Post implementation of the resolution plan, the Company’s ability to pay debt obligations and to optimise operations will improve significantly.*

*The lenders have been supportive of the plan and of the Company’s efforts to deleverage, subject to their internal approvals. The Company is confident of getting the lenders’ approvals, completing the documentation and implementing the plan soon. Meanwhile, the Union Budget has created fresh opportunities for our businesses in the foreseeable future and we will continue to serve small and large farmers in their quest to reduce cost and improve their productivity and income. The focus presently is on completion of the orders in hand and improving the working capital efficiencies. All the 12,000 employee associates of the Company are committed in their endeavors for a faster turnaround and remain hopeful of emerging stronger. We are thankful to all the stakeholders for their continued support and faith in us”.*

#### **About Jain Irrigation**

Our Company, Jain Irrigation Systems Limited (JISL) with it’s motto ‘Small Ideas, Big Revolutions’ with more than 11,500 associates worldwide and revenue of ~USD 1.15 billion, is an Indian multinational company with manufacturing plants in 33 locations across the globe. JISL, its subsidiaries and associates are engaged in 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 millions of the 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. All the products & services of JISL help create sustainable future while fulfilling its vision ‘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:**

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.

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Tel: +91-257-225801 Fax: +91-257-225811

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CIN: L29120MH1986PLC042028





DRIP IRRIGATION



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INTEGRATED IRRIGATION SOLUTIONS



CONTROLLED AGRICULTURE & GREEN HOUSE



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PVC PIPES & FITTINGS



PE PIPES & FITTINGS



PLUMBING SYSTEMS



INTEGRATED DRINKING WATER SOLUTIONS



PLASTIC SHEETS



SOLAR ENERGY GENERATION & APPLIANCES



SOLAR PUMPING SYSTEMS & SOLUTIONS



FRUIT PROCESSING



ONION & VEGETABLES PROCESSING



SPICE PROCESSING



SOCIAL INITIATIVES



**Jain Irrigation Systems Ltd.**

Small Ideas. Big Revolutions.®

Q3 FY19-20

**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 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.



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

- Overseas MIS business is stable
- India business impacted by liquidity issues and change in focus

## Plastic Division ( Plastic)

- India business impacted by demand sluggishness and liquidity issues
- Overseas plastic sheets business growing

## Agro Processing Division ( Agro)

- Revenue growth of more than 20% y-o-y in India business
- 30 % growth in revenue in US foods business and in Belgium trading business

## Way forward

- Focus on executing order in hand worth 4300 cr
- Focus on Working Capital and Operational efficiency
- Focus on deleverage in Balance Sheet
- Softening of Crude prices and increase in Rabi sowing will help the business

## Financial Performance: Q3 FY20

### Standalone

Rs. Mn

	Q3FY20	Q3FY19
Revenue	3,524	10,985
EBIDTA	-943	2,011
PAT	-1,832	630
Cash PAT	-1,435	1,022

- Significant impact in revenue and earnings

### Consolidated

Rs. Mn

	Q3FY20	Q3FY19
Revenue	13,000	20,377
EBIDTA	-819	2,722
PAT	-2,838	915
Cash PAT	-1,939	1,673

- Revenue of overseas business stable

## Financial Performance: 9M FY20

### Standalone

Rs. Mn

	9MFY20	9MFY19
Revenue	15,763	31,082
EBIDTA	685	5,598
PAT	-2,801	1,522
Cash PAT	-1,626	2,867

- Lower revenue due to liquidity tightening
- Ebitda margin of 4.4% in 9M FY 20 v/s 18% in 9M FY 19

### Consolidated

Rs. Mn

	9MFY20	9MFY19
Revenue	45,796	59,939
EBIDTA	2,680	8,213
PAT	-3,953	1,981
Cash PAT	-1,324	4,390

- Revenue drop of 23.6% on y-o-y basis
- Ebitda margin of 5.9% in 9M FY 20 v/s 13.7% in 9M FY 19



Segment  
Overview:  
Q3 FY20

Standalone Revenue

Rs. Mn

	FY20	FY19
Hi-tech Agri Inputs	2,164	-64.9%
Plastic	1,302	-72.1%
Other	58	-62.5%
<b>Total</b>	<b>3,524</b>	<b>-67.9%</b>

Consolidated Revenue

Rs. Mn

	Revenue	Growth y-o-y
Hi-tech Agri Inputs	5,968	-41.7%
Plastic	2,136	-61.1%
Agro	4,695	14.3%
Other	201	-62.6%
<b>Total</b>	<b>13000</b>	<b>-36.2%</b>

Exports from India

Rs. Mn

	Q3 FY20	Growth y-o-y
Hi-tech Agri Inputs	330	-58.1%
Plastic	326	27.7%
Agro	766	-18.9%
<b>Total</b>	<b>1,422</b>	<b>-28.4%</b>

Order Book  
Position :  
3Q FY 20

Standalone

Rs. Mn

	Order Book Position
Hi-tech Agri Inputs	19,841
Plastic	7,133
Other	19
<b>Total</b>	<b>26,993</b>

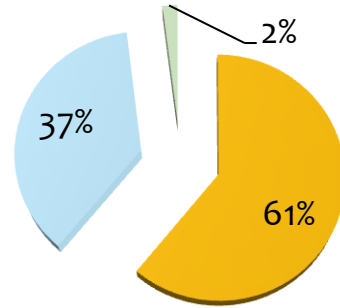
Consolidated

Rs. Mn

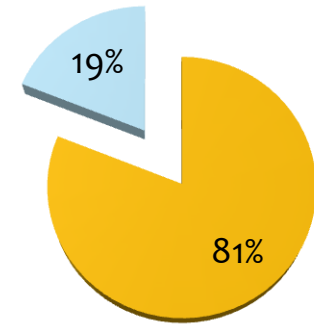
	Order Book Position
Hi-tech Agri Inputs	24,558
Plastic	7,390
Agro	10,675
Other	840
<b>Total</b>	<b>43,462</b>

# Revenue Overview : Q3 FY20

## Standalone

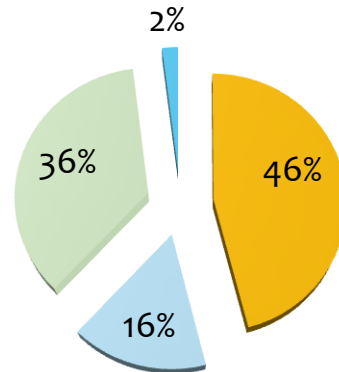


■ Hi-Tech ■ Plastics ■ Other

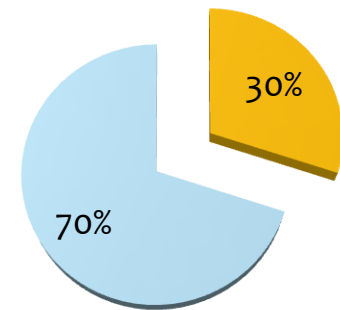


■ Domestic ■ Export

## Consolidated



■ Hi-Tech ■ Plastics ■ Agro ■ Other

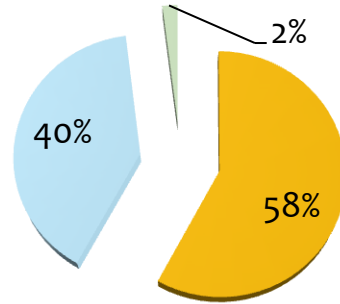


■ India ■ Rest of World

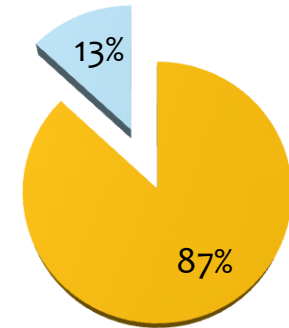


# Revenue Overview : 9M FY20

## Standalone

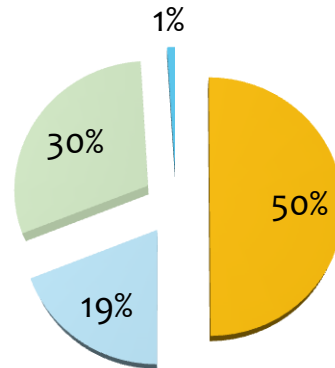


■ Hi-Tech ■ Plastics ■ Other

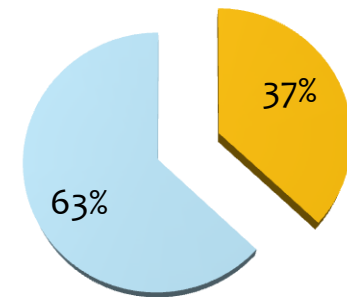


■ Domestic ■ Export

## Consolidated



■ Hi-Tech ■ Plastics ■ Agro ■ Other



■ India ■ Rest of World

## Standalone

Days	DSO Dec 31, 2019			DSO Sept 30, 2019			DSO Dec 31, 2018		
	Inventory	AR	Net WC	Inventory	AR	Net WC	Inventory	AR	Net WC
Hi Tech	137	398	467	112	314	365	105	190	206
Plastic	32	169	133	29	166	150	37	103	89
<b>Standalone Co</b>	<b>102</b>	<b>314</b>	<b>347</b>	<b>83</b>	<b>263</b>	<b>292</b>	<b>81</b>	<b>156</b>	<b>164</b>

Increase in DSO is on account of reduced sale in Q3 FY 20. In absolute amounts, the receivables and inventory have reduced by Rs 1,500 million and Rs 260 million respectively in Q3 over Q2.

## Consolidated

Days	DSO Dec 31, 2019			DSO Sept 30, 2019			DSO Dec 31, 2018		
	Inventory	AR	Net WC	Inventory	AR	Net WC	Inventory	AR	Net WC
Hi Tech	113	196	262	100	184	237	116	128	170
Plastic	48	121	110	44	129	130	50	91	92
Agro	199	71	170	217	60	176	240	55	187
<b>Consolidated Co</b>	<b>127</b>	<b>148</b>	<b>211</b>	<b>118</b>	<b>146</b>	<b>206</b>	<b>129</b>	<b>103</b>	<b>158</b>

The receivables and inventory have reduced by Rs 2,440 million and Rs 660 million respectively in Q3 over Q2.

## Working Capital Analysis

## Debt Position

	Rs. Bn			
	Dec 31, 2019	Sep 30, 2019	Change QoQ	Mar 31, 2019
<b>Standalone</b>				
Long Term	7.33	7.31	0.01	7.90
Short Term	21.97	22.20	-0.23	8.46
<b>Gross Debt</b>	<b>29.29</b>	<b>29.51</b>	<b>-0.22</b>	<b>16.36</b>
<b>Net Debt</b>	<b>28.26</b>	<b>28.92</b>	<b>-0.66</b>	<b>16.05</b>
<b>Consolidated</b>				
Long Term	30.74	30.81	-0.07	31.82
Short Term	33.42	32.99	0.43	19.17
<b>Gross Debt</b>	<b>64.16</b>	<b>63.81</b>	<b>0.36</b>	<b>50.99</b>
<b>Net Debt</b>	<b>62.24</b>	<b>62.17</b>	<b>0.08</b>	<b>49.54</b>

- - 5% of gross debt (standalone) & 50% of gross debt (consolidated) is in foreign currency as of Dec 30, 2019
- No increase in debt since September 2019

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

Year	FY 20 (3 months)	FY 21	FY 22	FY 23-25	Total
<b>Eq. US Dollar mn</b>	6.36	12.94	2.69	1.53	<b>23.52*</b>

\*The Company has hedged US\$ 6.07 mn of its long term foreign currency loans



# 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 88 bn**

Revenues in 2018-19



**12,200**

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

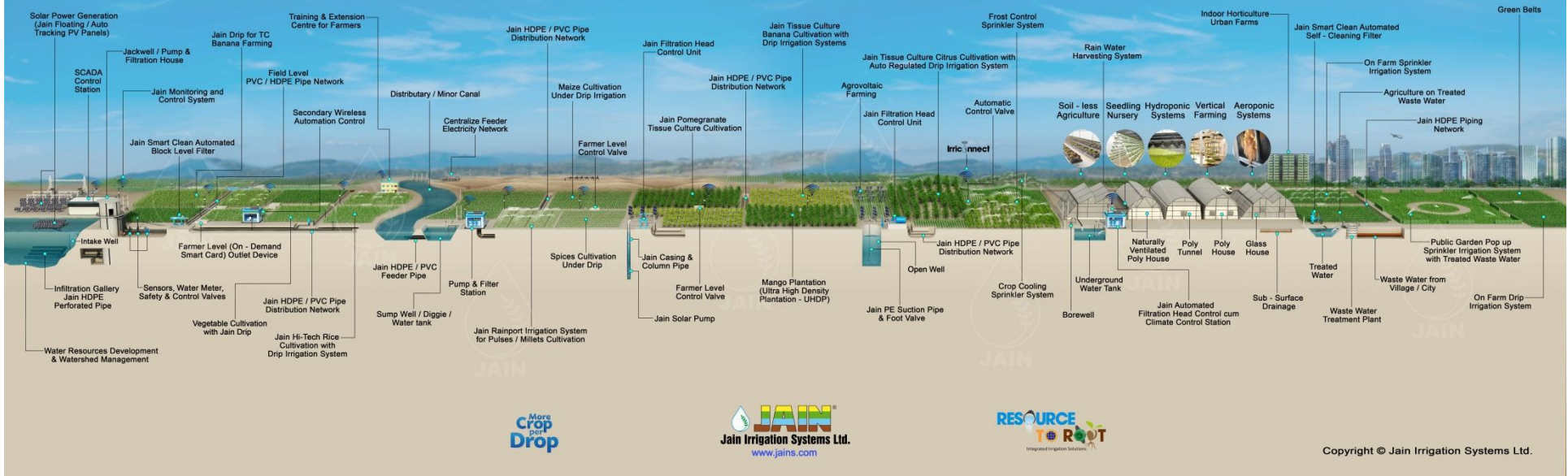
• Modernisation of Canal Networks with Integrated Irrigation Solutions

• 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: More Crop Per Drop



**Smart City:** Objective is to promote cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' Solutions

**AMRUT:** Atal Mission for Rejuvenation and Urban Transformation



## 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



- **Jain Farm Fresh Foods Ltd. ( JFFFL) forays into "Organic Spices."**
  - JFFFL, a wholly-owned subsidiary of Jain Irrigation Systems Ltd., with one of the largest spice processing facility in India has forayed into organic spices. The Company's 24000 MT spice processing facility has now been certified with the National Organic Program (NOP) for the United States, National Program for Organic Production (NPOP) for India and EU Organic for European Union.
  - Initial offerings comprise of turmeric powder, ginger powder, wild cardamom and going forward plans are underway to add Chili.
  - To ensure the availability of raw materials at all times, the Company has instituted a diversified sourcing mechanism with a significant focus on Sikkim, which is the first organic state in the world.



- **FDI in food processing sector down 31% at \$ 628.24 million in 2018-19**
  - The FDI in the food processing sector fell to \$628.24 million in 2018-19 from \$904.90 million in 2017-18, falling by 31%. The food processing sector is annually seeing a growth of more than 11%. The processing levels in India remain low at 7.7% behind several economies such as China, Malaysia and US, according to the Government. Moreover India's share in global exports of processed food is only 2%.
  
- **Maharashtra pitches to bring 50% agriculture land under micro-irrigation over 5 years**
  - The state government has urged the Centre to allocate more funds under the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) to bring at least 50 per cent of agriculture land under micro-irrigation over the next five years. It has also urged the Centre to promote micro-irrigation to crops beyond high, water-intensive sugarcane and bananas under the 'More Crop Per Drop' scheme.



Thank You