

Investor Communication : 2Q&1H FY14

Jain Irrigation Systems Ltd.

Standalone Performance Overview : 2QFY14

- Overall revenue growth at 33.5% .Strong growth in PE Pipes at 197.7% . PVC sheet and Fruit also shown good growth at 65.4% and 56.3% respectively . Micro Irrigation, PVC Pipe and Onion business grown at 20.1%, 1.6% and 7.8% respectively. Green Energy business has de-grew by 10.7% (on small base) .
- Micro Irrigation (MIS) business gained traction and now consistently growing at 20% plus, its revenue has reached at Rs 3.0 bn in this quarter. MIS Export grown by 200%
- Overall Exports from India grown by 79.9% in current quarter, as a part of strategy to grow exports aggressively
- Overall EBIDTA at Rs. 1.34 bn for current quarter, showing a improvement 10.4% for corresponding quarter due to higher revenue .
- Unrealized forex losses (shown as exceptional item) of Rs. 865mn due to Mark to Market (MTM) impacted reported PAT.
- Adjusted PAT (before forex) showing improvement on YoY basis.
- MIS receivables (gross) are at Rs. 11.5 bn by Sept-13 which is an improvement by 29 days from Jun-13. Government subsidy in MIS on net basis has been reduced by Rs. 1.2 bn from Jun-13
- Total receivable (gross) has come down from Rs.17.4 bn in Jun-13 to Rs.16.8 bn by Sept-13 showing improvement by 15 days of sales outstanding (DSO).
- Total Inventory has come down by 5 days sales outstanding (DSO). Significant increase in food processing inventory due to mango season has impacted it to come down substantially.
- Net Debt increased by Rs.0.9 bn primarily due to depreciation in Indian Rupee and corresponding increment in the rupee value of foreign currency loans .

Standalone Performance Overview : 1HFY14

- Overall revenue growth at 23.8%, Strong growth in PE Pipes 81.4%, Onion at 34.5%, Micro Irrigation at 20.5%, PVC Pipe at 23.9% & PVC Sheets at 19.6% due to strong demand. Fruit Processing also grown by 10.9%.
- Micro Irrigation (MIS) grown by 20.5% and reached the level of Rs 7,0 bn in this Half year. MIS Export grown by 218.4%
- Exports from India grown by 59.4% in this half year, as a part of strategy to grow exports aggressively .
- Healthy order book position at Rs.10.3 bn by end of Half Year across all the divisions .
- Overall EBIDTA at Rs 3.13 bn for current half year, which is 2.7% higher than corresponding half year last year.
- Unrealized forex losses (shown as exceptional item) of Rs. 1.99 bn due to Mark to Market (MTM) impacted reported PAT.
- Capex for the Half year was Rs. 801.6 mn .
- Adjusted PAT (before forex) showing improvement on YoY basis.



Consolidated Performance Overview : 2QFY14

- Overall revenue growth at 23.9%. Strong growth in PE Pipe at 197.7%, Fruit Processing at 53.9%. Micro Irrigation grew at 15.5% & Onion Dehydration at 9.6% .
- Contribution of overseas operations in consolidated revenue is at 33%
- Overseas operation EBIDTA at 7.6% for current quarter as against 8.3% for corresponding quarter
- Forex losses (shown as exceptional item) of Rs. 1.0 bn due to Mark to Market (MTM) impacted reported PAT
- Adjusted PAT (before forex) showing improvement on YoY basis
- Net Debt increased by Rs.1.8 bn majority due to Foreign currency MTM adjustment (Rs.1.3 bn) .



Consolidated Performance Overview : 1HFY14

- Overall revenue growth at 18.0%. Strong growth in Micro Irrigation at 15.3%, PE Pipe at 81.4%, PVC Pipe at 24%, Onion Dehydration at 11.1% & Fruit processing at 14.2%
- Contribution of overseas operations in consolidated revenue is at 31%
- Overseas operation EBIDTA at 8.7% for current quarter, which was 8.4% for corresponding half year last year.
- Forex losses (shown as exceptional item) of Rs. 2.3 bn due to Mark to Market (MTM) impacted reported PAT
- Adjusted PAT (before forex) showing improvement on YoY basis.
- NBFC SAFL has successfully sanctioned Rs.48 Crore and disbursed Rs. 41 Crores of loans through its 32 office , in a very short span of time.
- Capex for the Half Year was Rs. 1.2 bn.



Financial Performance : 2QFY14

Standalone Rs. mn	2QFY14	2QFY13
Revenue [^]	8,409	6,298
EBIDTA	1,343	1,217
Reported PAT	(650)	363
Adjusted PAT*	215	84

[^] including other operating income and excise duty

*before exceptional item (forex)

Highlights

- Revenue increased by 33.5%
- EBIDTA for 2QFY14 is at 16.0 % as against 19.3% in 2QFY13 EBIDTA has impacted by 330 basis points due to higher input costs, changes in product mix and new business model of MIS on cash basis .
- Adjusted PAT before forex showing improvement

Consolidated Rs. mn	2QFY14	2QFY13
Revenue [^]	12,516	10,100
EBIDTA	1,654	1,533
Reported PAT	(807)	447
Adjusted PAT*	187	44

[^] including other operating income and excise duty

*before exceptional item (forex)

Highlights

- Revenue increased by 23.9%
- EBIDTA for 2QFY14 is at 13.2% as against 15.2% in 2QFY13. EBIDTA has impacted by 200 basis points due to higher input costs & changes in product mix and new business model of MIS on cash basis .
- Adjusted PAT before forex showing improvement

Financial Performance : 1HFY14

Standalone Rs. mn	H1FY14	H1FY13
Revenue^	18,755	15,143
EBIDTA	3,131	3,048
Reported PAT	(1,115)	194
Adjusted PAT*	877	710

^ including other operating income and excise duty

**before exceptional item (forex)*

Highlights

- Revenue increased by 23.8%
- EBIDTA for H1FY14 is at 16.7 % as against 20.1% in H1FY13 EBIDTA has impacted by 340 basis points due to higher input costs , changes in product and new business model of MIS on cash basis .
- Adjusted PAT before forex showing improvement

Consolidated Rs. mn	H1FY14	H1FY13
Revenue^	27,067	22,941
EBIDTA	3,857	3,703
Reported PAT	(1,410)	(40)
Adjusted PAT*	898	698

^ including other operating income and excise duty

**before exceptional item (forex)*

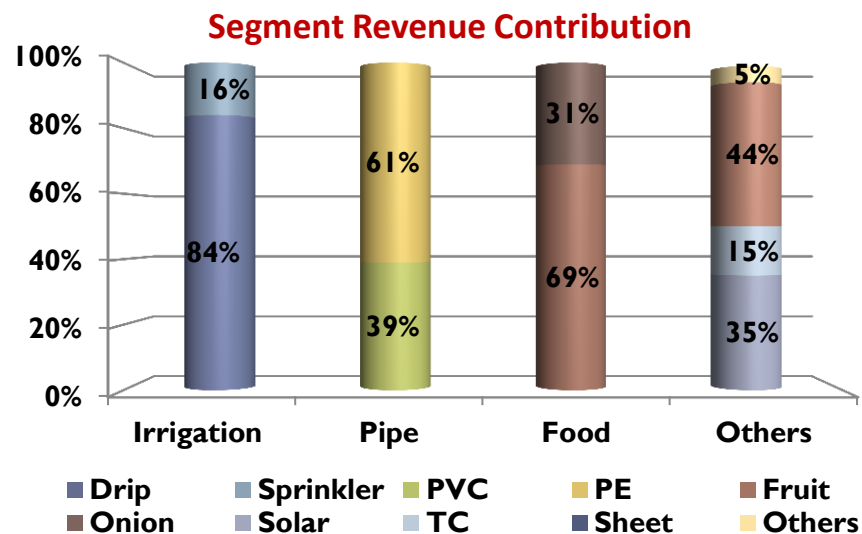
Highlights

- Revenue increased by 18.0%
- EBIDTA for H1FY14 is at 14.2 % as against 16.1% in H1FY13. EBIDTA has impacted by 190 basis points due to higher input costs & changes in product mix in domestic market and new business model of MIS on cash basis .
- Adjusted PAT before forex showing improvement

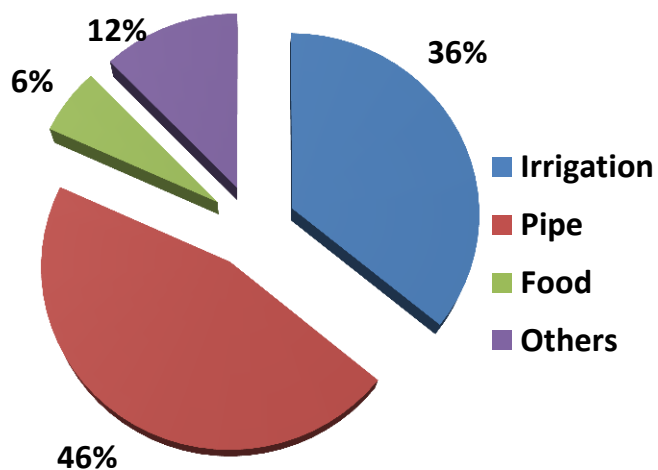
Business Overview - Standalone : 2QFY14

	Contribution %	YoYG
Domestic	70%	20.4%
Export	30%	79.9%
Total	100%	33.5%

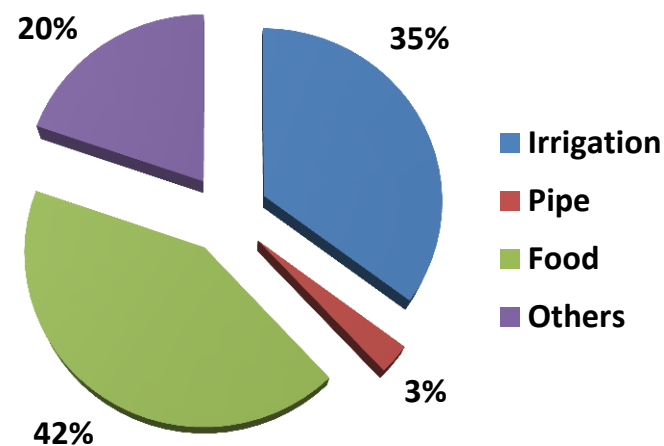
^ Including other operating income & excise duty



Domestic Revenue Contribution



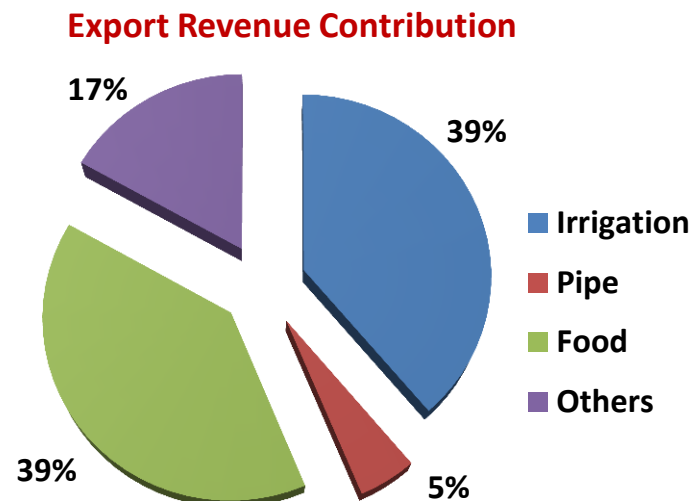
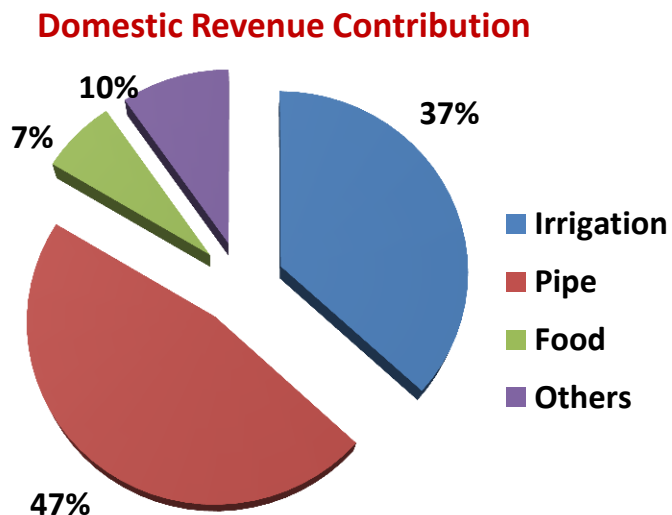
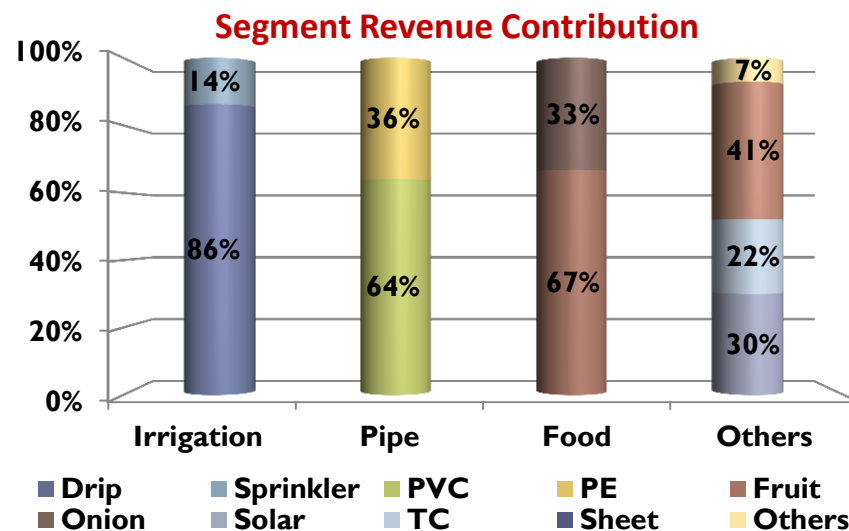
Export Revenue Contribution



Business Overview - Standalone : 1HFY14

	Contribution %	YoYG
Domestic	75%	15.2%
Export	25%	59.4%
Total	100%	23.8%

^ Including other operating income & excise duty

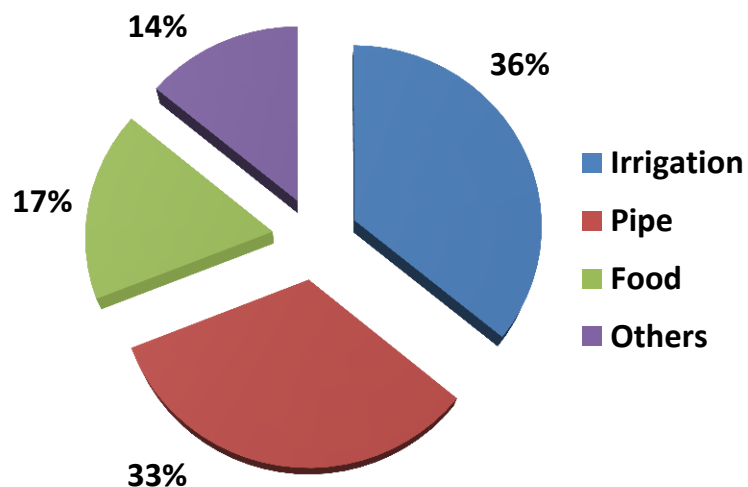


Business Overview - Consolidated : 2QFY14

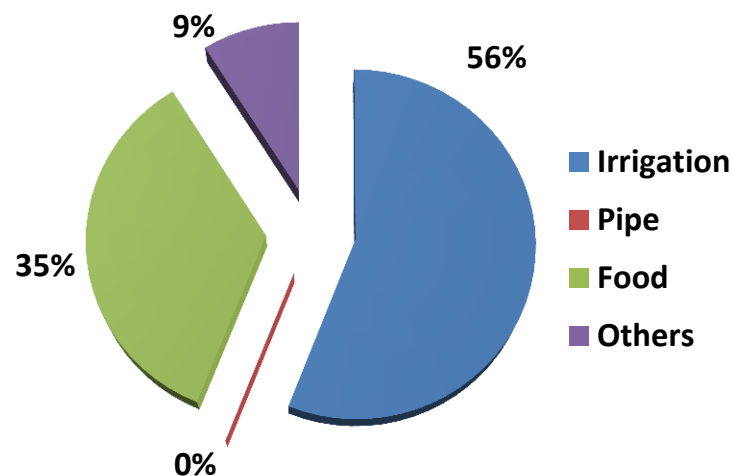
	Contribution %	YoYG
India Operations	67%	34%
Overseas Operations	33%	8%
Total	100%	24%

^ Including other operating income & excise duty

India Revenue Contribution



Overseas Revenue Contribution

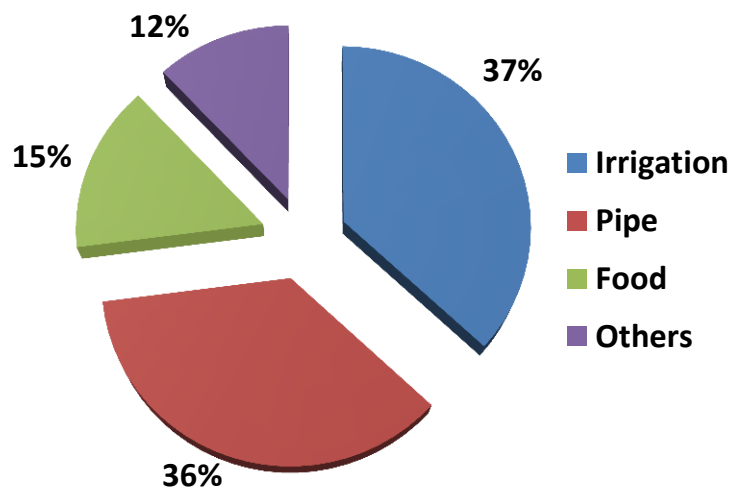


Business Overview - Consolidated : 1HFY14

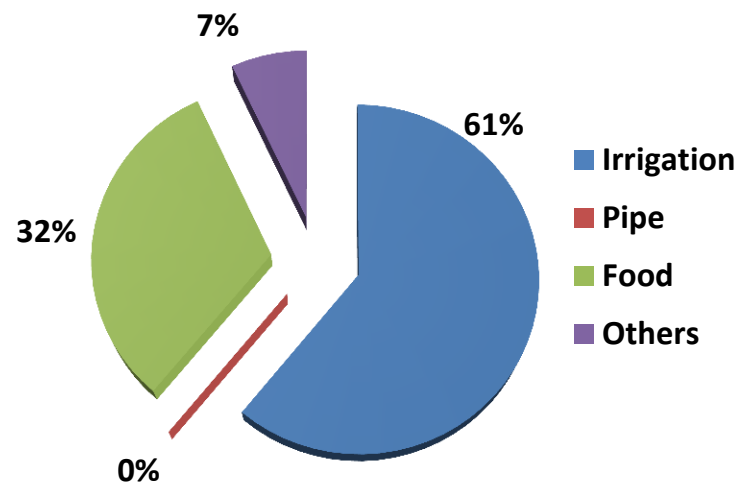
	Contribution %	YoYG
India Operations	69%	24%
Overseas Operations	31%	7%
Total	100%	18%

^ Including other operating income & excise duty

India Revenue Contribution



Overseas Revenue Contribution



Working Capital Analysis : 2QFY14

Standalone:

Days	30.9.13^			30.6.13^			31.3.13^		
	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*
Irrigation	113	279	317	116	308	296	125	329	296
Pipe	60	58	(16)	58	67	(11)	39	99	21
Food	315	66	155	345	66	162	219	82	51
Other	148	163	210	147	150	254	121	187	246
Total	130	158	167	135	173	170	111	200	165

Consolidated:

Days	DSO^_30.9.13			DSO^_30.6.13			DSO^_31.3.13		
	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*
Total	135	141	174	137	137	162	127	144	144

^ Based on last 4 quarter Revenue

•Net Working Capital = Inventory + Accounts Receivable – Accounts Payable – Bills Discounted .

•*Net DSO in MIS has increased as on 30.09.13 , due to reduction in Bills Discounting by 36 days .



Net Debt Position

Rs. bn.	30.9.13	30.6.13	31.3.13	Change QoQ	Increase due to MTM (2Q)
Standalone	30.8*	29.9 *	26.9	0.9	0.8
Consolidated	41.9	40.1	35.9	1.8	1.3

* 53% of total debts as on Sep-2013 & 50% of total debts as on Jun-2013 is in Foreign Currency (standalone)

Standalone Long Term Foreign Currency Loan (FCL) Repayment Schedule (excluding FCCB of US\$ 50 million issued in Oct-12(USD 40 mn) & Apr-13- (USD 10 mn) Maturity 5 year & 1 day)						
Year	FY14(6M)	FY15	FY16	FY17	FY18	FY19-23
Eq. US Dollar mn	11.4	21.9	26.8	30.6	28.2	55.2

Note:

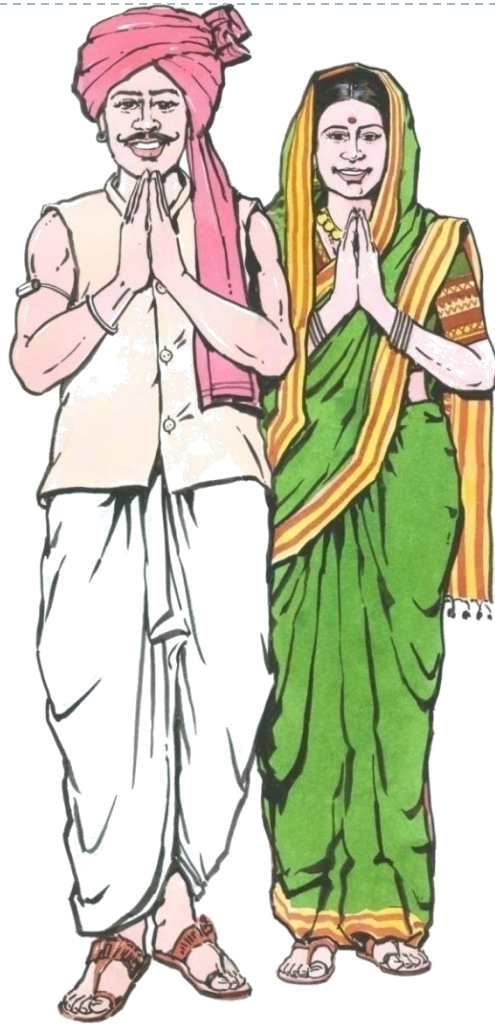
- Company will have net foreign exchange earning annually to take care of above FC Loan repayments
- Company has already divested of Wind Assets for consideration of Rs. 645 mn. Sale proceed will be utilized to repay foreign currency debt of approx 10 Million during 3rd quarter.
- The outstanding Foreign currency debt (excluding FCCB) as on 31.3.14 would be approx 153 Million. Out of which the company has already hedged 9.3 Million Eq. USD as on date.
- Cash as on 30.9.13 – Standalone Rs. 0.8 bn & Consolidated Rs. 1.7 bn

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