

Investor Communication : 2QFY15 & 1HFY15

Jain Irrigation Systems Ltd.

Standalone Performance Overview : 2QFY15

- Overall revenue grown marginally by 0.8%. Domestic business grew by 10.3% & Exports declined by 22% in current quarter
- Strong growth in Micro Irrigation (MIS) by 29.6%. PVC pipe grew by 21.5%, Onion grew by 40.4% and Tissue Culture grew by 40.6%. PE pipe declined by 55.5% & Fruit processing declined by 12.2%
- MIS domestic business grew substantially by 67.6%. Retail MIS grown by 37%. Growth in retail MIS business seen in all geographies (Maharashtra by 31%, North East by 43% and Gujarat by 25%)
- Exports declined majorly due to lower export in MIS to African geographies and lower export of PVC sheets because of shifting of two production lines to Ireland (Europe)
- EBITDA at Rs. 1,340 mn (15.8% of Revenue) for current quarter against Rs. 1,347 mn (16.0% of Revenue) in corresponding quarter in previous year
- Reported Net Loss for the quarter is Rs. 194 mn against Net Loss of Rs. 650 mn in in corresponding quarter in previous year. Profit has been impacted negatively by Rs.81 mn due to higher charge of depreciation as per Companies Act 2013. Cash Profit for the quarter is Rs. 248 mn as against Cash Loss of Rs. 306 mn in corresponding quarter in previous year
- Overall Receivable as on 30-Sep-14 has come down to 138 days from 145 days as on 30-Jun-14 . MIS Receivables have further reduced by 32 days to 211 days at the end of this quarter. Government subsidy receivables has come down by Rs. 737 mn to Rs. 2,625 mn during this quarter.
- Net Debt has gone up by Rs.2.2 bn as compared to Jun-14 to support food business production season. During current quarter bills discounted outstanding came down by Rs. 1.1 bn
- Average Interest cost is at 10.7%
- Capex for the quarter is Rs. 177 mn across various divisions, mostly maintenance Capex

Standalone Performance Overview : H1FY15

- Overall revenue growth at 1.4%. Domestic Business has grown by 8.2% but exports has declined by 18.8%
- Strong growth in MIS which grew by 18.5%, Onion Dehydration grew by 35.8%, Fruit grew by 16.8% and Tissue Culture grew by 9.1%. PVC Pipes declined by 10.0% due to lower sale in first quarter, PE pipe declined by 40.7% (previous year Revenue include large order from Reliance Jio) and Solar declined by 29.7%
- Domestic Micro Irrigation (MIS) grew by 46.3%. Export in MIS has declined (previous year Revenue include large order from Africa for about Rs. 1.3 bn)
- Overall EBIDTA at Rs. 2,964 mn (15.6% of Revenue) declined from Rs. 3,134 mn (16.7 % of Revenue) in corresponding half year FY14, due to change in business model & higher input cost
- Capex for the half year is Rs. 483 mn across various divisions, mostly maintenance Capex



Consolidated Performance Overview :

For 2QFY15:

- Overall revenue growth at 3.4 %. Strong growth in Micro Irrigation of 21.8% & Onion Dehydration 21.4%. De-growth in Pipe by 25.3%, PVC sheets by 13.6%, Fruit Processing by 14.9% and Solar business 17.7%
- Contribution of overseas operations in consolidated revenue is at 35%. Overseas revenue grown by 8.7% .
- Overall EBIDTA at 13.1% for current quarter as against 13.2% for corresponding quarter.
- Cash Profit/(Loss) for consolidated operations is at Rs. 376 mn for the quarter

For 1HFY15:

- Overall revenue growth at 6.7%. Strong growth in Micro Irrigation of 17.5% , Onion Dehydration 25.8% ,fruit processing 14.0% .Pipe , PVC sheets and solar has declined by 21%, 3.5% and 29.7% respectively .
- Contribution of overseas operations in consolidated revenue is at 34%. Overseas revenue grown by 18.6%
- Overall EBIDTA at 13.2% as against 14.2 % for corresponding half year due to change in business mix & higher input cost
- NBFC-Sustainable Agro Finance (SAFL) has disbursed loan of Rs. 0.4 bn in this half year. Loan Book of SAFL is at Rs. 1.30 bn as on 30-Sep-2014



Financial Performance : 2QFY15

Standalone Rs. mn	2QFY15	2QFY14
Revenue^	8,472	8,409
EBIDTA	1,340	1,347
Reported Net Loss	(194)	(650)
Cash Profit (Loss)*	248	(306)

^ including other operating income and excise duty

**including Depreciation*

Highlights

- Revenue increased by 0.8%
- EBIDTA for 2QFY15 is at 15.8 % as against 16.0% in 2QFY14. Profit has been impacted negatively by Rs.81.4 mn due to higher charge of depreciation as per Companies Act 2013.
- Cash Profit showing improvement

Consolidated Rs. mn	2QFY15	2QFY14
Revenue^	12,936	12,516
EBIDTA	1,692	1,655
Reported Net Loss	(236)	(807)
Cash Profit (Loss)*	376	(306)

^ including other operating income and excise duty

**including Depreciation*

Highlights

- Revenue increased by 3.4%
- EBIDTA for 2QFY15 is at 13.1% as against 13.2% in 2QFY14.
- Cash profit showing improvement



Financial Performance : H1FY15

Standalone Rs. mn	H1FY15	H1FY14
Revenue^	19,009	18,755
EBIDTA	2,963	3,134
Reported Net Loss	(33)	(1,115)
Cash Profit (Loss)*	871	(436)

^ including other operating income and excise duty

**including Depreciation*

Highlights

- Revenue increased by 1.4%
- EBIDTA for H1FY15 is at 15.6 % as against 16.7% in H1FY14. EBIDTA has impacted by 110 basis points due to implementation of new business model & higher input cost.
- Cash Profit showing improvement

Consolidated Rs. mn	H1FY15	H1FY14
Revenue^	28,870	27,067
EBIDTA	3,798	3,857
Reported Net Loss	(35)	(1,410)
Cash Profit (Loss)*	1,192	(435)

^ including other operating income and excise duty

**including Depreciation*

Highlights

- Revenue increased by 6.7%
- EBIDTA for H1FY15 is at 13.2 % as against 14.2% in H1FY14. EBIDTA has impacted by 100 basis points due to implementation of new business model & higher input cost
- Cash Profit showing improvement

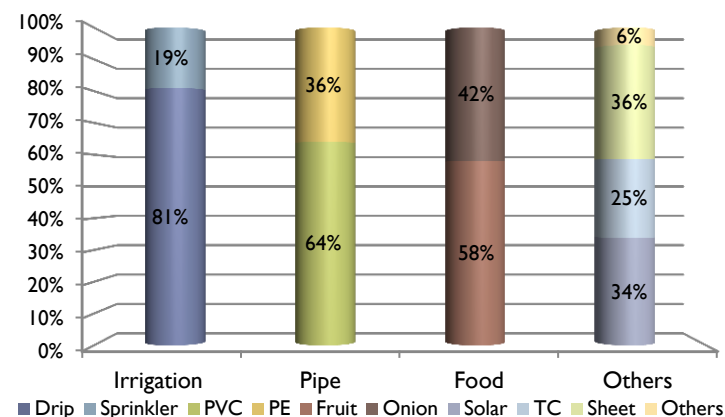


Business Overview - Standalone : 2QFY15

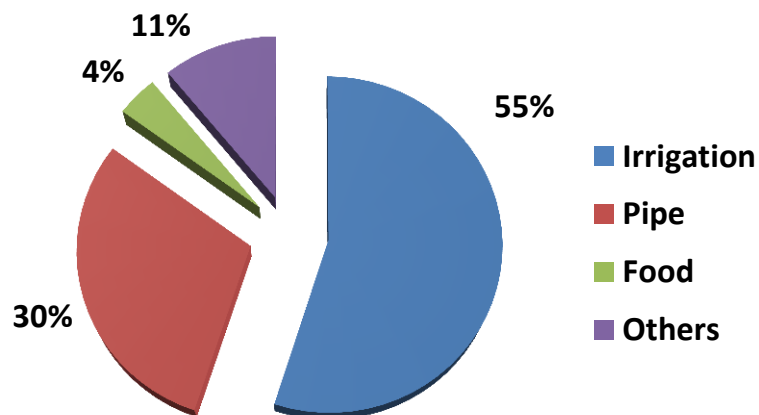
	Contribution %	YoYG
Domestic	77%	10.3%
Export	23%	-22.0%
Total	100%	0.8%

^ Including other operating income & excise duty

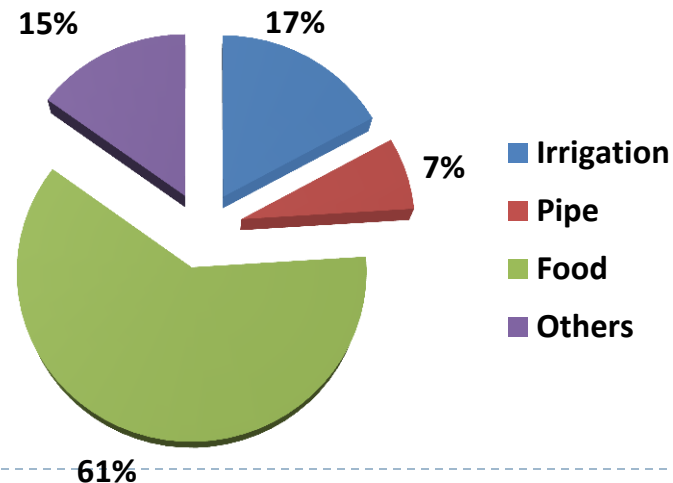
Segment Revenue Contribution



Domestic Revenue Contribution



Export Revenue Contribution

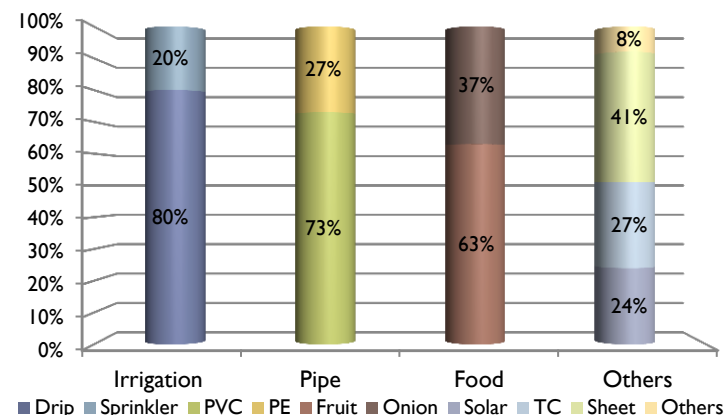


Business Overview - Standalone : H1FY15

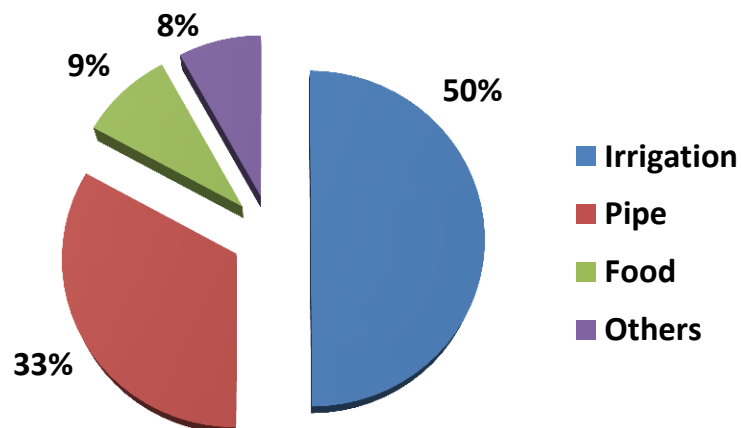
	Contribution %	YoYG
Domestic	80%	8.2%
Export	20%	-18.8%
Total	100%	1.4%

^ Including other operating income & excise duty

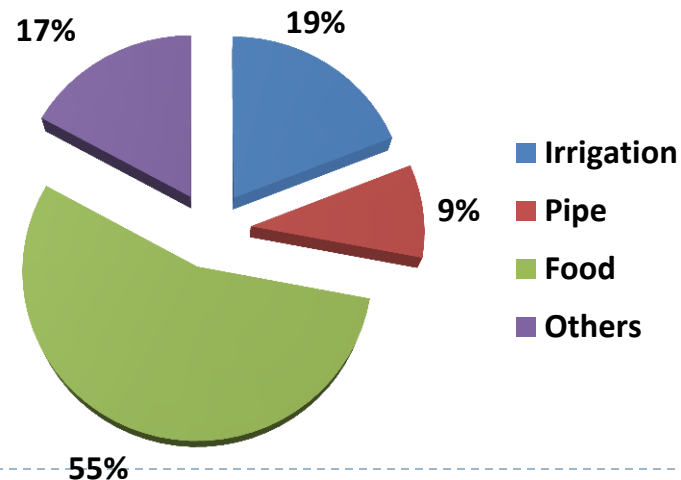
Segment Revenue Contribution



Domestic Revenue Contribution



Export Revenue Contribution

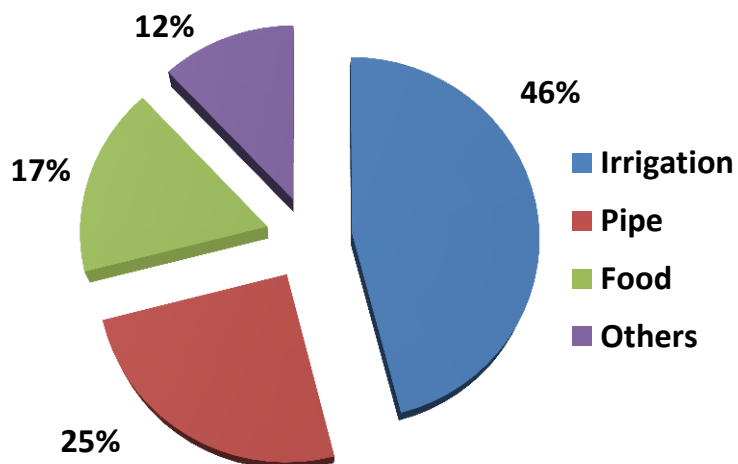


Business Overview - Consolidated : 2QFY15

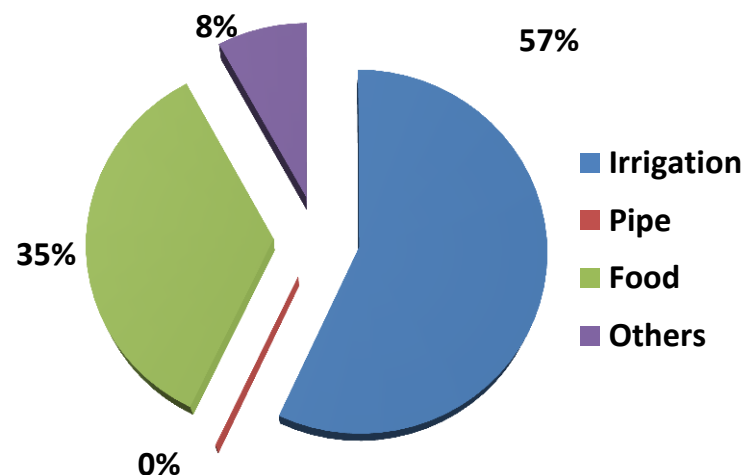
	Contribution %	YoYG
India Operations	65.0%	0.8%
Overseas Operations	35.0%	8.7%
Total	100.0%	3.4%

^ Including other operating income & excise duty

India Revenue Contribution



Overseas Revenue Contribution

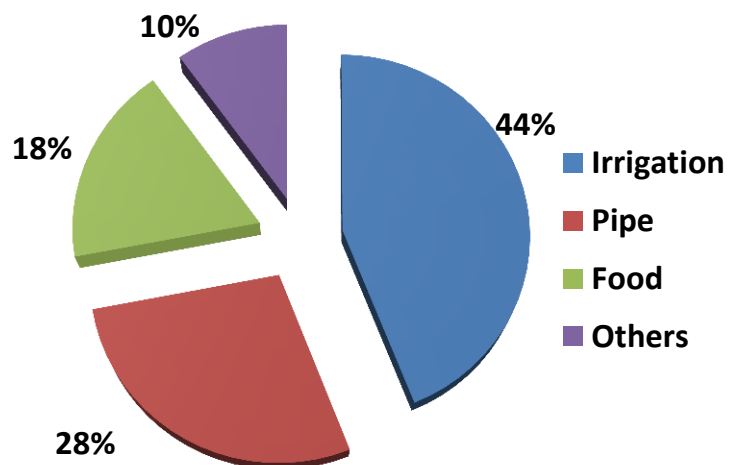


Business Overview - Consolidated : H1FY15

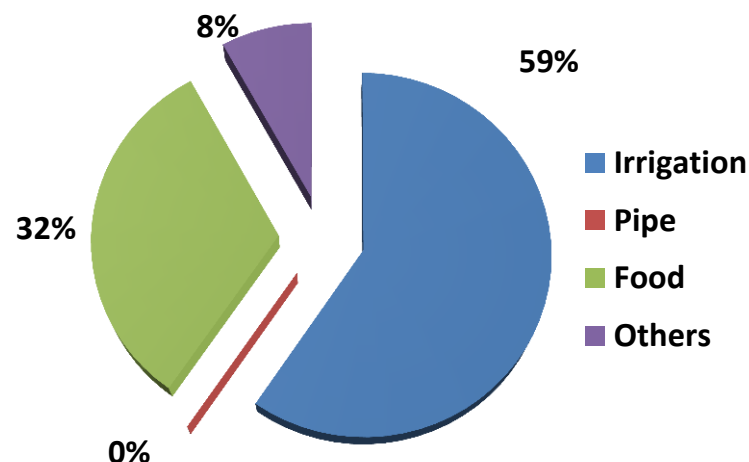
	Contribution %	YoYG
India Operations	66.0%	1.4%
Overseas Operations	34.0%	18.6%
Total	100.0%	6.7%

^ Including other operating income & excise duty

India Revenue Contribution



Overseas Revenue Contribution



MIS - Revenue

Rs.in Millions	2QFY15	2QFY14	Change % YoY
Retail	2,177	1,589	37%
Project	1,322	465	184%
Export	318	878	-64%
Total	3,817	2,933	30%

MIS – Receivables

Rs.in Millions	31-Mar-12	31-Mar-14	30-June-14	30-Sept-14	Change QoQ
Dealer	2,486	2,216	2,084	1,660	-424
Institutional	1,812	1,315	1,198	1,225	26
Project	3,108	3,433	4,028	4,408	380
Govt. Subsidy	9,742	3,923	3,362	2,625	-737
Domestic Total	17,148	10,887	10,672	9,918	-755
Export	571	988	799	574	-224
Total	17,719	11,875	11,471	10,492	-979



Working Capital Analysis : 2QFY15

Standalone:

Days	DSO^_30.09.14			DSO^_30.06.14			DSO^_30.9.13		
	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*
Irrigation	102	211	255	103	243	235	113	279	317
Pipe	37	49	(11)	37	44	(20)	60	58	(16)
Food	276	102	195	264	87	176	315	66	155
Other	178	145	252	178	158	226	148	163	210
Total	121	138	165	118	145	145	130	158	167

Consolidated:

Days	DSO^_30.09.14			DSO^_30.06.14			DSO^_30.9.13		
	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*	Inventory	AR (gross)	Net*
Total	121	115	158	119	122	145	135	141	174

^ Based on last 4 quarter Revenue

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



Net Debt Position

Rs. bn.	Debt_30.09.14	Debt_30.06.14	Change (Q-Q)%	Debt_30.09.13
Standalone (Total)	31.6	29.4	7%	30.8
Long Term (incl. current maturities)	14.5	14.6	0%	16.2
Short Term	17.1	14.9	15%	14.6
Consolidated (Total)	42.4	39.8	7%	41.9
Long Term (incl. current maturities)	18.5	18.5	0%	20.8
Short Term	23.9	21.3	12%	21.1

- Cash in hand has been netted from short term loans
- Forex loss - Standalone Rs.182 mn and Consolidated Rs.418 mn included in debt position
- 40% of total debts (standalone) as on Sep-14 is in foreign currency

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	FY15(6m)	FY16	FY17	FY18	FY19-23
Eq. US Dollar mn	9.6	24.9	28.7	26.3	51.9

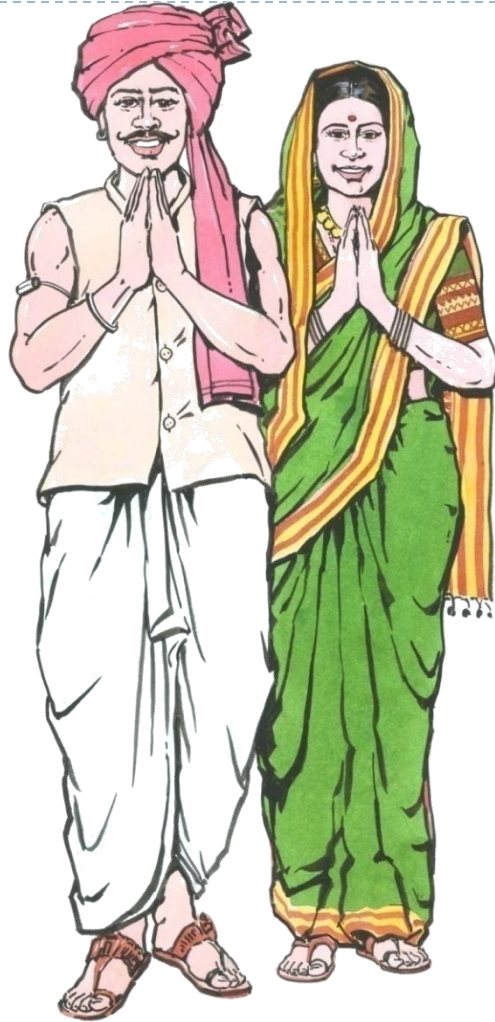
Note:

- Company will have net foreign exchange earning annually to take care of above FC Loan repayments
- The Company has hedged cover USD 30 mn of its long term foreign currency loans

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