



Jain Irrigation Systems Ltd.

Small Ideas. Big Revolutions.®

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3rd November, 2025

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Code No. 570004 (BSE) & JISLDVREQS (NSE) for DVR Equity Shares**

Sub: Transcript – Q2/H1 FY26 Earnings Conference Call

Dear Sir/Madam,

Please find enclosed herewith transcript of **Q2/H1 FY26** Earnings Conference Call held on 30th October, 2025 at 4:00 PM IST.

Please take the above on record and acknowledge.

Yours faithfully,
For **Jain Irrigation Systems Limited**,

A. V. Ghodgaonkar
Company Secretary

Encl: a/a



“Jain Irrigation Systems Limited Q2 & H1 FY-26 Earnings Conference Call”

October 30, 2025

**MANAGEMENT: MR. ANIL JAIN – CHIEF EXECUTIVE OFFICER &
MANAGING DIRECTOR, JAIN IRRIGATION SYSTEMS
LIMITED
MR. BIPEEN VALAME – CHIEF FINANCIAL OFFICER,
JAIN IRRIGATION SYSTEMS LIMITED**

MODERATOR: MS. BHAVYA SHARMA – DR CHOKSEY FINSERV

Moderator: Ladies and gentlemen, good day and welcome to Jain Irrigation Q2 & H1 FY26 Earnings Con-Call.

As a reminder all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing ‘*’ then ‘0’ on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Bhavya Sharma. Thank you and over to you.

Bhavya Sharma: Thank you. Good evening, everyone and welcome to Jain Irrigation Systems Limited earnings call to discuss the Q2 and H1 FY26 results. Today, we have on call Mr. Anil Jain – CEO and MD and Mr. Bipeen Valame – CFO.

We must remind you that the discussion on today’s call may include certain forward-looking statements that may involve known and unknown risks, uncertainties and other factors and must therefore be viewed in conjunction with the risks that the Company faces. Future results, performance or achievements may differ significantly from what is expressed and implied by such forward-looking statements. Please note the results and presentation are available on the exchange and our Company’s website.

I now request Mr. Anil Jain to take us through the Company’s “Business Outlook and Financial Highlights”, subsequent to which we will open the floor for Q&A. Thank you and over to you, sir.

Anil Jain: Thank you. Welcome everybody to this Call for the 2nd Quarter for FY26, wishing everybody a Happy New Year as per the Indian calendar.

We had a board meeting earlier today and we have announced our results. As generally, September quarter is a mute quarter for us because of the heavy monsoon and during monsoon there is always a limited demand for either irrigation or pipes traditionally. But despite that structural issue for the current quarter, overall, the Company has done well. As you might have seen from the result, overall income for the Company has grown almost 20% to Rs.1,432 crores as against last year’s same period about Rs.1,191 crores. And this 20% growth has come in essence a little bit in a deflationary environment as well. For example, PVC resin prices have been low during this period of time.

So, when you take into account the deflationary scenario because even fruit pulp prices were quite low. So, when you look into those things and still see 20% growth, that means on a quantity basis in fact overall growth has been close to 25%. So that is a quite positive and good thing. The 1st Quarter we had grown about 5%-6%, this quarter growth of 20%. So, for the first half, the growth is around 12% or so. So that is in line with what we had expected and typically for our Company, second half is always much stronger than the first half due to seasonality. So, in

line with what we had said that overall, for the year, we would expect to grow beyond 15%. We are on to that because we have already done about 12% by now, 11%-12%. And Quarter 3 and Quarter 4 are expected to be strong.

So overall we should meet our stated goal of maintaining good growth rate. What is important in this quarter was not just that revenues grew quite good, but earnings also grew quite nicely. And earnings grew at a faster pace than the revenues, while revenues grew 20%, EBITDA for the Company grew 43%. So that shows the quality of the earnings in different businesses. And in fact, if I look at high-tech business or plastic or agro-processing, by and large all businesses have been stable to positive in terms of earnings growth also. So, revenue growth coupled with a higher level of earnings growth showed that some of the things which we have been working in the past are starting yielding results now.

When I look at individual businesses which we have, high-tech business grew almost 39% this quarter, plastic grew about 9.5% and agro-processing grew 15%. So again, all good numbers. Within high-tech, apart from the retail business related to micro-irrigation, we also had good exports, we had good business for solar pumps. So, combination of all of these things has resulted into very solid numbers. And plastic, as I said, had a more impact of also deflation. So, while quantity, overall plastics then has grown better.

Now, in terms of earnings, in line with the revenue growth, high-tech EBITDA has grown also by 37%. But especially food has grown significantly in terms of earnings because of the better product mix and good processing season which we had for mangoes. In terms of margin percentage of EBITDA, high-tech is maintaining around 19%. Plastics is double-digit and agro-processing has improved from low single-digit to double-digit. So that is all favoring quite well. So, when you look at first half, as a Company, we have done close to Rs. 3,000 crores of revenue across, put together all businesses with an EBITDA of Rs. 400 crores. Now, if I really look at EBITDA of the current quarter, it is quite strong. I don't think we ever had such a strong quarter in terms of EBITDA, especially in September, which is a monsoon quarter. So, that augurs well for the remainder of the year for us.

In terms of, structurally speaking, where business is going and where we are seeing growth, we see that because it has been a good monsoon, that between now and till next May, there should be good demand for the Rabi crop and for the summer crops going forward for irrigation as well as pipe business. In case of tissue culture business, which we have where we sell planting materials, the demand for banana is booming. And in fact, we are sold out. We are working to add capacities going forward, but it takes time to add capacities. But over the next couple of years, we will be increasing our capacity in that business by 50% over 3 years by almost double the size. There is so much more demand because the end produce, that is banana, farmers are making good money. India started exporting a lot of the bananas. So, there is that momentum, which is as a cycle we expect it to remain for a longer period of time.

Piping, as I said, was soft because of two reasons. One, since mid-May, it has been raining. So, fields have been wet, so there is less demand. Also, government spend on the pipe-related infrastructure has been much less compared to last 2-3 years. So, combination created that lower demand scenario. But I think we have weathered worst period behind us now on piping demand. So going forward, it should look good. And within the plastic division or plastic sheet business, the other plastic products which we have in Europe and US, that has continued to do well for us. And in terms of revenue growth, earnings power, that continues to look good.

In terms of agro-processing, traditionally, we do this onion sales as well as dried onion and fruit pulp, etc. But we have started now a new project in our food processing subsidy where we are likely to start manufacturing in the current quarter, some beverage bottling. Earlier, we had a small line where we used to have some juice packing and so on. But that capacity was quite small. But now we are entering into a new understanding and a collaboration with a large beverage manufacturer. So, some big global level capacity lines are being installed. But majority of positive impact in terms of revenue and everything else would come into the next fiscal year. But already in the fourth quarter, there should be some additional revenue coming into the food business due to the beverage bottling unit. And we expect over the next 1-2 years, that business to grow significantly because the plan we have along with our collaborator and partner is to add a lot of capacity going forward in that space. So, we are seeing, as I said, growth into beverage bottling. We are seeing growth into banana. We are seeing a lot of growth in MIS itself as more young farmers are adopting new technology. And apart from onion and mangoes, we are seeing also good growth opportunity in garlic because a lot of our customers in the US are wanting to have a pivot away from China due to all the volatility and so on. So, India could be a good new supply location for dried garlic into Western markets. And post understanding of how things will work out between the governments and the duties, etc., medium to long term, we expect garlic also to become a strong contender as a major product line for our food processing business. Beyond Indian shores, our food processing business has grown in UK market quite nicely. It has also grown into US market. Turkey, which is a much smaller entity, did not grow that much because of larger economical issue in that country. But overall, we have been able to ensure that revenue growth between what happens in India and overseas is around 15% in this current quarter. And for the first half, overall food has grown close to 7%.

In terms of competitiveness going forward in marketplace, in pipe and drip, there are a lot of companies which are competing with us. Some of them are strong players, organized and a lot of them are not so organized there. In case of micro-irrigation business, we are a clear leader in terms of either revenue, size, technology, profitability. I think we lead all the way in case of micro-irrigation. In case of piping, there are other companies which are larger than us. But we think in medium term, we would catch up there. And overall scale because we are looking to grow more than 15%, higher scale in terms of absorption of capacity would allow us to be more competitive going forward.

In terms of cash flows, when we look at overall cash flow, Company has been maintaining positive cash flows in total in terms of, we had earned about this quarter about Rs. 190 crores generated net cash from operating activities post working capital change. And in fact, before working capital change, it is about Rs. 400 crores. So, because of seasonality, we have Rs. 200 crores added used in working capital that should come back in Q3-Q4. So, for the whole year, we expect a really strong cash flow from operations and working capital, in fact, would be, despite this 15% growth, by the end of the year, FY26, we would have less inventory and receivables than we had at the start of the year. So that is the focus we have to bring working capital efficiency on the balance sheet side and to generate positive operating cash flow. And that available cash partly will go for debt servicing, of course. And in addition, it would go for growth of the business going into FY27. Because what we are talking of that 15% growth on consolidated this year is not just for the current year. As we think through '27-28, we are seeing good tailwind in terms of where we wish to go.

So, all businesses; we have six total businesses. One is drip and sprinkler; one is plastic pipes. So, we have plastic sheet business overseas. Then we have this tissue culture business. Then we have solar pump business and then, of course, food processing. So, across all businesses, we feel quite confident of the good growth opportunity, either because of our technological leadership or the brand equity in the retail markets with the dealers and the farmers and or the infrastructure which we possess in case of food processing Company and the global distribution channels we have. So again, each business has its own unique challenges, global geopolitical issues.

But I think all in all, because oil is benign, polymer prices would expect to remain similar levels where they are. Because, again, new capacities are coming up, polyethylene new capacity coming up in PVC. In India, there are two new plants coming up by '26-27. So I think as a large consumer of polymers, this works well for us that more and more new capacities are coming up. And in case of as you might have seen recently, this is one of the first time India had food inflation almost not there. And that we also see that there were much lower prices for mangoes, for example, when we were processing. Onion prices have been reasonable. So, if that continues, that should also help because that increases demand.

During this quarter, the government came up with the GST-II, in which GST on drip irrigation has been reduced from 12% to 5% with a reduction of 7% approximately. We have passed on all that reduction to our end customers. And the market will pick up now, because it has been kind of, if you track, it has been raining up to now. But despite that, we have done well. But going forward, we should do even better with lower pricing now for customers and with the dry field and once the rain stops, hopefully this week, next week more demand should flow because of the GST reduction Government of India has made. Also, GST is reduced on the solar pump. That should spur the government also to take more solar pumps on behalf of the farmers. So that could help.

In case of our piping division; where there is an infrastructure application, which are where we supply to the private parties, B2B business, we are seeing many more inquiries, but it is very competitive business. So, we think some of these inquiries, specialized applications where large diameter pipes are required, such as desalination projects or some global overseas projects. There, I think our Company should be doing better compared to competition because very few people have very large diameter pipelines like 2.5 meters. So, that should go well. Maybe starting from some of these projects might still take a few months to get converted. But 4th Quarter should bring some good numbers. And next year is definitely there are so many projects being negotiated in the pipeline. Next year will be very big on the infrastructure applications of large diameter pipe for specialized applications. So, these were some of my observations and our Company's observations in terms of how this quarter panned out, how the first half has panned out, and how we are looking at the remainder of half.

And now I would like to open the floor for the questions from listeners, investors, participants. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Praneet, an individual investor. Please go ahead.

Praneet: Hi, thank you for the opportunity. I was wondering about the overall debt repayment schedule because I understand that we are going to get a payment very soon in terms of 2027. How are we expected to finance that? I understand receivables are going to play a part, but could you give a perspective on how it's going to work? Because if there is a delay or otherwise, how do we plan on paying that particular payment in 2027?

Anil Jain: I believe we should be able to pay the entire debt repayment through internal accruals. We have approximately Rs. 200 odd crores falling due in FY27, September, and the major amount falls only in March '27. So, we are almost 18 months. So beyond receivable collection, legacy receivable collection, government projects, etc., the cash flow generation in the rest of the businesses together should be more than enough in terms of ensuring the repayment. We have been repaying, in fact, last 3.5 years, the Company has repaid almost Rs. 1,300 crores of debt from the normal operations. This is before we sold overseas business, etc. So that repayment was another Rs. 3,000 crores, that is separate. But this one has been done through internal accruals. So, we don't foresee any issue here.

Praneet: And I understand that we have been facing concerns with working capital because we ended up spending our equity infusion also through that. So how would we be able to fund working capital and the debt repayment together? Because if you want to grow at the 15% rates you are forecasting, how do we plan on doing that, especially when receivables are not coming fast, quick enough?

Anil Jain: I think in terms of growth, we have done 20% growth this quarter. We really, in essence, we have not added any debt towards the working capital during this quarter. We repaid some of the long-term debt. It went down. So, as internal accruals come through, some of the old receivables come through as a combination. We should be able to do adequate business to support the working capital. We have about Rs. 1,000 crores in inventory. We have about Rs. 2,000 crores in receivables. Even a release of approximately Rs. 300-350 crores, we anticipate at least minimum in the next 6 months on that count, should easily suffice to give additional growth. Now, another important point I would like to mention is that our focus on future growth rate, a lot of that growth is going to come from our dealer business. And in dealer business, our model in both pipe and drip is that we receive money in advance from dealers. So that growth does not require additional working capital. Do you get me?

Praneet: Understood. So, I understand that the overall receivables part of it, that it is mostly state government receivables side. But what kind of exposure do we have from each state? Because it's spread across multiple states. So which state is likely to give the last and what percentage of that? Could you give some idea on how it's like in terms of state and centre-sponsored versus the geography between multiple states? How is it spread across?

Anil Jain: So, two ways, one is some states where the states, owe us money towards the EPC projects which we have done or which we are in process of completing. And those projects are partly funded by states. Sometimes they get money from the water resource ministry in Delhi, combination. And those states where we need to receive money are like Karnataka, Andhra Pradesh, Maharashtra, Madhya Pradesh, part in Haryana and Himachal. These are six states where most of our EPC funds have to come. Additionally, we need to receive some funds which are related to government subsidy, which government gives to the farmers related to drip irrigation, where the centre participates in that, but the money is released to the state government. There the funds need to come from people like Andhra, Telangana, Gujarat, Tamil Nadu, these 4-5 states. We have our internal credit limits. So, unless we receive old money, we are not giving a lot of new money or new supplies into those states. And at the same time, we are also building a parallel network or market where we are selling even the states where the government provides 80% subsidy to a farmer. We are able to directly sell to the farmers using 100% cash model. So that also we have worked on and it is becoming more successful because ultimately farmers want good quality, good technology. They can make that much of money within 1 or 2 years payback on investment in drip. So as a combination of that, we are not too much exposed to a single state. So generally speaking, a lot more money needs to come from southern states for us than west. We have less business in the north and northeast.

Praneet: Understood. I understand government projects; we are in the last leg of completing them. So, could you give a timeline of the overall EPC? When do we do we expect to complete the remaining order book and in what years do we expect what kind of receivables to enter the Company's books?

- Anil Jain:** So, when all of this story started, sometimes in 2021, we had some 38 or 39 projects which were ongoing. So, significant majority of those we have kind of closed or submitted. The four or five major projects which are still open, where we are done like 90% of work, remaining 5%-10% of work, which is sometimes linked to what government needs to do. For example, just to give you an idea that we have built the whole piping distribution network, pump house and so on. But government needs to bring electricity to that location. So, when the electricity comes, then only project fruition and the remaining 5% work can be done. So that way we are anticipating that the projects which were where we are more than 90%, which are major five projects, we should be able to complete sometimes in next 6 months or so by March '26. One or two projects we started late, they would go through FY27. But that would be one or two projects. Otherwise, in terms of numbers and in terms of also value, significant amount you would see completion in March '26. So, all that funds should flow into the Company by March '27.
- Praneet:** Even the remaining Rs. 900 crores receivables we still have left with the government, Rs. 800 crores for the EPC business.
- Anil Jain:** So, the EPC business, that's what I am talking about. That these projects would get completed and all that money should be with us in FY27. Except, as I said, one project we have for water supply in Pune that would go through exhibition also in FY27.
- Praneet:** So, after we raise our milestone payment invoice, how long will it take for the government to release those funds?
- Anil Jain:** As I said, because as we expect to complete by FY26, within 12 months of that max, we should get all that.
- Praneet:** Understood. So, by FY27, we expect to get most of our payments by the end of '27.
- Anil Jain:** Absolutely right.
- Praneet:** Thank you so much for your time. I will join back to the queue.
- Moderator:** Thank you. The next question comes from the line of Nishita from Sapphire Capital. Please go ahead.
- Nishita:** I had a few questions. In the presentation, you mentioned an order book of around Rs. 1,900 crores on a consolidated basis. So, can you give an execution timeline for that order book?
- Anil Jain:** I think typically most of these orders we should be able to do in next 6 months. Some of them. I think if you look at total Rs. 1,900 crores, the consol, let's say Rs. 400 crores would move into the next fiscal, but Rs. 1,500 crores should happen during the current year. So, what would move next year is some of the, for example, food orders we have, they have a 12-month cycle. So, some of them will move in the next cycle April to September. And some of the, mostly food

would actually go into the next period. All other orders related to pipe or drip or tissue culture or plastic products should get done between now and March.

Nishita: Understood. And can you give a bifurcation from export and domestic business?

Anil Jain: I think overall our export has been quite robust in totality for the overall Company. Rs. 129 crores was for the standalone Company in this particular quarter. And for the whole first half our exports have been Rs. 259 crores, about 260 crores, which was last year same period Rs. 188 crores. So about 38% growth for the first half in exports.

Nishita: So, I also had a question on this partnership for beverage Company, for bottling unit that you have. What is the capacity for it and how much incremental revenue are you expecting from that capacity in FY27?

Anil Jain: This is being installed in our food processing subsidiary with Jain Farm Fresh. And the first two lines will be in place by March. The first line already in this quarter, second line in March. We should be able to generate good quantity in terms of bottling of juices, colas, etc. In terms of revenue number depending on the market and everything else, I think the first two lines should add close to about Rs. 400 to 500 crores in full year of working at about 65% to 75% capacity utilization. Our partner is indicating that, they have good demand with themselves. So, we should be able to achieve that. There will be in Phase II some additional capacity added in FY27, second half. And that should generate much higher revenue than FY28.

Nishita: Okay, understood. With the 15%.

Moderator: Sorry to interrupt. Several participants are waiting. Please return to question queue for the follow-up question, ma'am.

Nishita: Just this last question. That's my last question.

Moderator: The next question comes from the line of Sankit Kumar from AB Investments Limited. Please go ahead.

Sankit Kumar: Good performance year-on-year, but quarter on the revenue has been decreasing, sir. Any issues, like you have said, government orders, but high-tech business being so many years in micro-education, the business has not really pumped up, being the biggest and only player in the country. When will this convert into exponential growth? Like, you are understanding what I am saying, any views on that, sir?

Anil Jain: I understand what you are saying. So, first of all, business is not going down. Year to year, 20% growth. But sequentially, because this is a rainy season quarter, business is always low. It goes back to the inception of the Company for last 30-40 years. This quarter is always lowest quarter. But as I said at the start of the call, we feel very confident of Quarter 3 being good and

maintaining that (+15%) growth for the entire year. So, in terms of exponential growth, so there are a lot of people in micro-irrigation. It is not just us. I think small companies, there are 400-500, there are organized companies, maybe 10-20. Over last 2-3 years, agriculture sector, the farmers, due to the climate change and all of those issues, have been suffering one way or the other. So, that's why we are also focused more on exports, but doing more value addition. So, in micro-irrigation, this division, high-tech agri-division, what we call it, has grown 38%. That's the exemplary growth. So, we anticipate strong growth numbers going forward also. Now, it has taken some time to come up with the solutions for farmers which would address the climate change, because it's a new technology. Adoption of technology takes some time for the farmers. But it has started happening now. Next generation of farmers are also joining and they want to use the new technology. So, secular basis in terms of going forward, we expect this division will continue to do well. And as I said, as you can see from some of the details, if you can read through investor presentation, it has one of the highest level of margins, 19% level of EBITDA as a combined high-tech agri-division. So, when you have that level of margin because of our integration and the full play in terms of what offering we provide to the customer, complete solution, we are able to maintain those margins and the growth. So, overall as a division, it will do very well going forward.

Sankit Kumar: Next question, Tissue Culture MOU that you have signed with the government, what's that work in progress? Can you review that?

Anil Jain: In Tissue Culture, today, our primary products, which we sell in large quantities to farmer are banana and pomegranate. We also do papaya, mango, and few other products. The MOU we have signed is with the coffee board. And there, we are doing some more work on the coffee. Other products, which have started working in Tissue Culture in that division.

Moderator: The next question comes from the line of Lovish from Shiv Ashram Investment Management (37.20). Please go ahead.

Lovish: Good afternoon. Congratulations on a very good set of numbers. My question is regarding margins and a bit of strategy. I was looking at past financial data. Till 2012, operating profit margins used to be in mid-double digits, around 13%-14%. And since then, the margins have taken a dip to the extent that we end up with either losses or like even in the last quarter, the latest quarter that we have reported results today, our net profit margin is around 1%. So, what is the management doing? What is the strategy to take the margins back to mid-double digits?

Anil Jain: I think our margins this quarter are 13.9%.

Lovish: I am not talking about EBITDA margins. I am talking about net margins.

Anil Jain: I understand. Let me explain. I can't explain net unless I start with EBITDA. So, our EBITDA margins are 13.9%, which is quite healthy considering the market, the competition, etc. Cost of

the goods and so on. Where is that money going today? So, what happens below EBITDA. There is a depreciation because Company is growing. There is also interest cost on the debt. And in that, a lot of this margin is getting lost. So, the only way net margin will go up is two possibilities. One is that EBITDA needs to go up further. So, let's say from 13.9% to 15%- 16%. That's feasible as we increase capacity utilization and so on. The second, debt needs to be deleveraged. So that so much of that profit is today being eaten because of the interest that needs to go away. So, we are working on both. The ideal scenario would be on a net margin basis. I think that from 1% or 2%, how do we move at least in the reasonable future, how do we move to 5% to 7%? Two ways, improve product mix in terms of what we sell and increase capacity utilization to improve EBITDA. And second would be to deleverage the Company and not be paying interest. That's the only way net margin will go up. And we think, we are in the right direction. But it won't happen overnight. It would take a couple of years for us to start seeing strong net margins.

Moderator: The next question comes from the line of Nishita from Sapphire Capital. Please go ahead.

Nishita: I just wanted to ask the 15% growth that you guided for FY26. That does not include the bottling unit revenue. Since you are going to do only marginal revenue in bottling unit in FY26. So, does that include the 15%? Does that include that revenue or doesn't?

Anil Jain: No, it doesn't because that won't be significant for FY27 it will be a different ballgame.

Moderator: The next question comes from the line of Sankit Kumar from AB Investments Limited. Please go ahead.

Sankit Kumar: The question that was left in between tissue culture, what is the progress of coffee that you have signed an MOU with the government? Can you please...that question was left in between.

Anil Jain: Yes. So, in that, I think the results of coffee have been very good with whatever tissue culture plants which we have supplied to the coffee board and which they have given to their farmers. So, in this part of the business, it takes 1 to 3 years for them to test it in their field and see how it comes. So, in terms of significant revenue, that would come maybe '27 onwards. But the good news for the division, as I was explaining that banana demand is doing well, pomegranate is doing well, potato seeds work which we are doing should result. Overall, I expect this particular division to maintain about (+20%) growth regardless of coffee. If coffee comes along post '27, that would be good and it will come along. But it just takes that much of time.

Sankit Kumar: Any future plans for IPO of Jain Foods?

Anil Jain: So, we have spoken earlier also that I think we have a private equity shareholder in that Company, Jain Farm Fresh. In their consultation, we would be planning to, again, subject to the market and market conditions. Sometimes in '26 calendar year, we should look at bringing that IPO for Foods.

- Moderator:** Thank you. The next question comes from the line of Madhur Rathi from Counter Cyclic Investment. Please go ahead.
- Madhur Rathi:** Thank you for the opportunity. I wanted to understand regarding the receivables and when can we expect the government receivables to flow in?
- Anil Jain:** Government receivables should come through most of them, next fiscal year, which are related to EPC projects, which are old legacy or projects being completed, etc. So, all of them should, most of them and I said when I say most, more than 90% should flow through latest by FY27, March.
- Madhur Rathi:** Out of the Rs. 2,300 crores odd receivables that we have as of H1 and how much would be related to government and how much can we expect on a conservative basis to flow by FY27?
- Anil Jain:** So, there are two, the total receivables post the provisions which has already been made are about Rs. 2,000 crores. Out of Rs. 2,000 crores, project related receivables are about Rs. 900 crores. So, most of that should be with us by March '27. And there are some other government related receivables, but they are ongoing. They get rotated. We get paid and then we supply new material. So, that would remain, that's another Rs. 400 crores. But what would be finished, which will come and we are not doing EPC business again, that would be that Rs. 900 crores.
- Madhur Rathi:** If I look at our FY24 con-call, we were very hopeful that we will receive it in FY25, these Rs. 800-900 crores of project receivables. So, what is the issue? Why are not we getting these money back? Is it an issue from the government's end? Is it an issue from our end? So, I am just trying to understand. In FY24, we were expecting it to come in FY25, but now we have moved this timeline to FY27. So, if you could just help us understand on that front.
- Anil Jain:** So, actually, it is not a static number because during this period to complete the incomplete project, we have done revenue of also another Rs. 1,500 crores. So, in fact, if I tell you, in FY23, we received Rs. 800 crores on the government projects. In FY24, we received Rs. 431 crores from the government. A year before, we had received Rs. 632 crores. So, that kind of money is flowing, but meanwhile, because there was significant size of this project, sizes were quite big. The new invoices have been created as we are completing the project. But now that when you do the last milestones, which is what we are expecting to do over the next 6 months, we expect in March '27, most of these projects, funding will come and nothing is left. Because as I said, the total revenue which we still need to build might be only Rs. 200-250 crores now against all the projects. But 2 years ago, in FY24, it was still about some Rs. 1,200 crores we still had to build. So, that money has come, but new buildings also has taken place.
- Madhur Rathi:** Thank you so much in all the best.
- Anil Jain:** Thanks.

- Moderator:** Thank you. The next question comes from the line of Kumar Divyanshu, an individual investor. Please go ahead.
- Kumar Divyanshu:** Congratulations sir for the very good set of numbers. I am having only one or two questions. First question regarding to the order book. Could you please comment on the Q2 order book status and what about the execution timeline?
- Anil Jain:** So, the order book which we have talked about is across different businesses. So, out of Rs. 1,900 crores order book, about Rs. 1,500 crores should get done in next 6 months and about Rs. 400 crores by next September.
- Kumar Divyanshu:** But in the presentation, as I am able to see, the total consolidated order book is 19,047.
- Anil Jain:** No, those are all rupees in millions. So, Rs. 1,900 crores. All figures across are rupees in millions. It is Rs. 1,900 crores out of which Rs. 1,500 crores. So, almost close to 80% should happen closed between now and March and then remainder by next September.
- Kumar Divyanshu:** So, out of Rs. 1,900 crores, Rs. 400 crores will be by September next year, right?
- Anil Jain:** Yes, Rs. 1,500 crores by March.
- Kumar Divyanshu:** Thank you so much.
- Moderator:** Thank you so much. The next question comes from the line of Sankit Kumar, AB Investment Limited. Please go ahead.
- Sankit Kumar:** You are getting into new segments like now in bottling, piping you are there. Pipe business has not been doing well for some quarters. Isn't it a good idea to focus on rather on food business or some particular segment and grow it to the highest level? You are getting it quarter, like now you are getting into bottling segment. Are you confident growth you will able to lift to the heights of the Company?
- Anil Jain:** Yes. We are quite confident of that and see all businesses have their own merits. So, micro-irrigation business, we are already leader in the country and this high-tech division, this quarter has grown 39%. Pipe has been gone through deflation and in fact, you see last few quarters, it is not just us. Everybody else, all listed public companies on piping you see, they have limited growth or challenges because of deflationary environment on pipe and lack of government spending. But I think that is in the past, we are looking forward to positive growth. In terms of the new growth opportunity in the food business, we make the pulp and now this is the next stage, from pulp you make the juice. So, we are using our existing infrastructure which is already considerable capital investment. So, return on capital which we are investing in this business is expected to be very good. So, I think we are very mindful that our allocation of resources and allocation of capital should be very judicious because we suffered quite a lot as you know

between '19 to '22. We don't want to repeat those mistakes. So, we are very focused on that any new investments we make, any new lines we pick up or any additional growth opportunity we pursue should have a very good return in terms of capital, free cash flow. So, your point is valid but we are very focused on that and you will see good results overall. But even in the current quarter, the plastic divisions which is including pipes has done reasonably well in terms of the growth as well as improvement in margins.

Sankit Kumar:

Plastic division like Jain Pipes, I have not heard in North India like I live in Delhi. But I have not heard about any, like Finolex Pipes I have been getting to the dealers. But Jain Pipe, I have not heard about Jain Pipe. Can you please, what are the strategies on this side of India?

Anil Jain:

So, that's also a very good observation. When you talk of Finolex or some other names. Lot of them have gone into urban pipe markets including lot of plumbing and so on. So, it has become like known to the consumer. Our primary product line business which we have goes to farmers into rural areas. And if you go to rural areas, we have a manufacturing plant in Alwar near Delhi, 150 km from Delhi. So, whether in Rajasthan or Bihar or UP, everywhere Jain Irrigation is known or Jain Pipe is known in the rural areas. But it is not known in the urban cities or metros or mini metros as of now because we are not there present in the plumbing sector. But larger point of what you mentioned that over a period of time we have been more present in western and southern markets as a country. But now we are increasing our focus on northern and north eastern markets also. So, I think over next year or two you will start seeing more presence of Jain in so many ways into these markets also. Thank you.

Moderator:

Thank you. Ladies and gentlemen, we will take that as the last question for today. I now hand over the conference over to Anil Jain for closing comments.

Anil Jain:

Again, I would like to thank all the participants and apologize for that break for a minute or so due to bad phone connection. Overall, this has been a good quarter for us in so many ways. As I said, not just in revenue but earnings and quality of earnings. So, we feel very positive for the remainder of the year. Of course, there are geopolitics and what not and climate change does throw time to time some kind of additional challenges to us. But that is our job to stay focused, to work on it and still deliver good results. So, that is what we are committed to. Thanking you for the support from all investors as well as all the participants on the call. Thank you again.

Moderator:

On behalf of Jain Irrigation, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you so much, sir.