Jain Irrigation Systems Ltd.
Small Ideas. Big Revolutions.®
Regd. Office: Jain Plastic Park, P.O.Box: 72, N.H.No. 53, Jalgaon – 425 001. India.
Tel: +91-257-2258011; Fax: +91-257-2258111; E-mail: jisl@jains.com; Visit us at: www.jains.com
CIN: L29120MH1986PLC042028

JISL/SEC/2026/08/B-2/B-6 August 11, 2026

To,
BSE Ltd.,
Corporate Relationship Department,
1st Floor, New Trading Wing, Rotunda Building, P. J. Tower, Dalal Street,
Mumbai - 400 001
Email: corp.relations@bseindia.com

To,
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051
Email : cc@nse.co.in

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

Sub: Transcript – Q1 FY27 Investor Conference Call (Earnings Call)

Dear Sir/Madam,

Please find enclosed herewith transcript of **Q1FY27 Investor Conference Call (Earnings Call)** held on August 10, 2026 at 04:30 PM IST.

Please take the above on record and acknowledge.

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

AVDHUT VASANT GHODGAONKAR
Digitally signed by AVDHUT VASANT GHODGAONKAR
Date: 2026.08.11 14:24:43 +05'30'

A. V. Ghodgaonkar
Company Secretary

Encl: a/a

Jain Irrigation Systems Limited
Q1 FY 2027 Earnings Call
August 10, 2026

Moderator: Ladies and gentlemen, good day and welcome to Jain Irrigation Systems Limited Q1 FY27 Earnings Conference Call. Today, we have on the call Mr. Anil Jain – CEO and MD, and Mr. Bipeen Valame – CFO.

As a reminder, all participants' 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 "*" and then "0" on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anil Jain to take us through the Company's "Business Outlook" and "Financial Highlights", after which we will open the floor for questions.

Thank you and over to you, sir.

Anil Jain: Thank you. Good afternoon to all the listeners on the call and thank you for joining our call. This call is about the Q1 Results for Jain Irrigation.

Today, we also had an Annual General Meeting followed by the Board and in the Board, the Results were approved.

As we spoke, I think sometime in May, it was anticipated that the 1st Quarter will be a muted quarter. So, as a company, overall, our revenue has been about 2.5% less than the same period last year at about Rs. 1,500 crores.

Within different segments, I think Hi-Tech segment registered a degrowth, while plastic was almost similar to last year’s same period, and Agro-Processing registered significant growth due to additional beverage business and some growth in our overseas market. So, while overall revenue has remained similar, there was a reduction in EBITDA because especially standalone India business, we had less fixed-cost absorption because of lower volume due to volatility linked to raw material prices and demand postponement, and that has resulted into lower EBITDA, especially in the Hi-Tech division. In fact, plastic division has improved its EBITDA, and Agro-Processing also had seasonality issues to register lower EBITDA, and impact on the forex side was negative compared to the similar period last year.

So, all in all, reduction in EBITDA temporarily in this quarter, but we believe we should be able to catch up in the second half of the current fiscal year to cover what is lost. In terms of when I look at the margins, Hi-Tech division delivered about a 14.4% margin versus similar period at 16.6, so approximately 2% reduction, and plastic, in fact, improved by about a percent or so from 10 to 11, and Agro-Processing also came down by 3%. So, post all of these changes in the margin profile of the company, adjusted PAT after adjusting the non-cash NCD interest unwinding, adjusted PAT at about Rs. 3 crores versus last year's Rs. 30 crores, but companies still remained profitable. So, overall, when we look at this quarter, the revenue, we have been able to almost maintain at similar levels.

EBITDA margins are down by about 2% or so, but mostly linked to unabsorbed fixed costs, which can be captured in the second half, and adjusted PAT has remained profitable. We had, in April, month of April when we were there, we felt that situation was going to be much worse, but I think May and June, we did better. July continues to be remaining good.

So, things are definitely improving than how the year started, especially due to volatility linked into the business. Now, while this is consolidated on a standalone basis, again, majority of the de-growth this quarter particularly came from standalone business, and while overseas console business and business of food business company has done well. If we, and even on standalone basis, on adjusted PAT basis, company has remained profitable and also having good cash.

If I look at cash flow statement, the EBITDA of Rs. 164 crores, almost about 78% of EBITDA, we have been able to convert into cash flow. That is quite a positive sign in terms of management of the working capital, which we have done. So, I think that's a big plus, and this was possible due to further improvement in working capital cycle.

If we look at console as an entire company basis, net working capital last year this time, June '25, was about 210 days, and this year it has come down to 183 days. So, that's a significant improvement during our last one year. And even on a standalone basis, it has come down from 296 days to 283 days.

So, that's a big improvement. If I just compare it with March ‘26, also it was 186 days, and now it is 183. So, that's an improvement. Now, and this is despite all the volatility which was out there.

In terms of business potential, in terms of looking forward in the remaining three quarters, 2nd Quarter typically also remains muted because of the rainy season. But the good news is there was a fear that a huge amount of this super-El Niño will emerge, and that would have a disaster in terms of total rainfall but we have seen good level of rain in July. That would mean the farmers got adequate moisture into their soil for the crops to sustain themselves, and it is expected over the next couple of weeks some good rain will continue in the country. So, by and large, there was a big deficit in June because of the delayed onset of monsoon.

That was kind of covered partly into July, and we hope also into August. So, the news about the monsoon and the weather and the climate change is not as bad as it was forecasted. So, I think that's a positive thing as far as we are concerned.

For the Rabi crop and for the next year's summer business, this would be very positive. Majority of dams in the country have water levels filled up to now two-thirds, 67%, and by the end of the monsoon if they do hit 85%, that means adequate water availability for irrigation the next hot summer also, which is positive. So, the reduction in the revenue in the June was partially caused by postponement and the purchase decision by customers due to very high prices.

And second, it was also because of the delayed onset of monsoon. So, farmers were not ready to sow their crop, and of course, then they couldn't also take the irrigation systems as well as pipes. But since then, as I said, July has been better.

We have registered already positive revenue growth in July as against April to June, significant revenue growth here. And August and September also seem to be good, but especially we think with the kind of negotiations we are doing also with the institutional customers for larger diameter pipes, we see a lot more kind of surplus demand coming through. Now, subject to a little bit more stability on the geopolitical events, where oil stabilizes and the polymer prices come down a little bit more than where they are, I think that would give that trigger momentum for the growth into the business.

So, reasonable quarter, but far more needs to be done in the second half of this year, and that looks good. The signs and the indicators are positive. In terms of, as I already talked about cash flow was positive this year.

In terms of overall cash flow, we have been able to generate post-working capital changes has been positive. And we have been able to maintain margin, except small reduction linked to unabsorption of fixed costs, and that can be covered in the rest of the year. In terms of the major issue, which I think is there, is on the balance sheet.

This year, with about Rs. 690 crores of debt of the NCDs falling due in the current fiscal, partly in September, partly in March, approximately Rs. 230 crores in September, and remainder in

March of that Rs. 690 crores. So, or maybe I think 680 now, approximately. So, we believe that, as we have said this earlier, a company would be able to take care of these obligations in the current year, through its cash flows, and companies also pursuing other alternatives as the backup plan, just as a matter of prudency, in terms of to ensure that, come what may, company does and will ensure that all obligations are paid on time, as we have done in last four years.

In terms of the rest of the capital, in terms of working capital, that is being managed properly. I think we have good support from current working capital banks. They have approved additional limits, new limits.

So, I think that thing is going well, and I think bankers understand what has happened due to this west Asia crisis, the impact when suddenly if your raw material prices go up by 50%, what happens. So, they have provided necessary support to the company to come through this crisis, and come out well. And so, we are very thankful to them, but at the same time, they are quite optimistic about the remainder of the year.

Overall, overseas, the plastic business did well, approximately a significant growth of 40% or so in terms of revenue. And because of that performance, I think overall EBITDA margin for plastics have improved in this quarter for us. In terms of structurally where we are going, I think we are entering into a cycle post this season where every single product line of the company, whether it is about irrigation business, piping, solar pump, tissue culture, food processing, we are seeing growth opportunities.

So, we are quite positive there. And as I said, this 1st Quarter was a combination of postponement of decisions by customers due to high prices, delayed onset of monsoon, less sales related to the project category, which is like companies consider decision to get out of that particular type of business, as well as almost limited billing related to solar pump business, which will pick up in the 2nd, 3rd, and 4th Quarter.

So, I would say that overall, well, 1st Quarter results are muted, but we remain confident on the rest of the year. Within, when I look at the retails of the business, within even retail business, I think we did quite okay in our Hi-Tech business in like Maharashtra or in western parts of the country. Even in north, the business grew.

The business which did not grow was, which was linked to kind of government subsidies, where we had a opportunity to take revenue, but that would have meant a lot more impact on the cash flow and long receivables. So, we chose not to do that business. Otherwise, I think this revenue negative growth, what you see would have been actually covered, because easily we could have sold 50-60 crores rupees more of micro-irrigation, but that would have meant many more longer receivables.

And especially this year with so much of debt due, we are choosing to pick up business, which is more and more cash flow positive, quicker turnaround and cash-to-cash cycle. So, that is where it is, and in terms of overall receivables were compared to March, were down by about Rs. 25 crores in June. And we will continue to see between September, December and March that to further go down and those extra collections would get used to honor the necessary debt obligations, which company has.

In terms of structurally speaking, while the polymer prices went up, we have been able to pass on majority of the increases to the customers. And if and when prices of polymers do come back, we think that would spur overall demand into the business. So, we are looking forward to get that done.

So, this is where kind of the 1st Quarters balance sheet, P&L as one would call it, in terms of overall business cycle. And I think we are getting into a stronger business cycle going forward. With that, I will stop here.

I will again thank you for patiently listening to this update on a quarterly basis. And we look forward to taking on any questions you may have now. Thank you.

Moderator: Thank you very much. We will now begin with the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. Your first question comes from the line of Ramesh with SJ Investments. Please go ahead.

Ramesh: Yes. Sir, I was trying to understand in terms of government receivables, did we get any during this month? And how many more projects are left to go in terms of completion? These two questions.

Anil Jain: I think last quarter we received approximately 60 crores from the government. And I think month of July, another 25-30 crores have come through from the government. So, we see that as the rest of the year goes by, it will continue.

In terms of the projects to be completed, I think hardly now you saw the total billing on the project was maybe 24 crores or so for the quarter. I think 2nd Quarter could be maybe even less. There's one active large project which is in Pune for water supply, where we still need to do, I think, triple digit billing going forward, the remainder part.

But most of other projects, like 98-99% done, very small amounts are still left.

Ramesh: Sir, so how much more scope of work is left?

Anil Jain: In the other projects apart from the one project in Pune, I think total billing left is about approximately closer to Rs. 40-50 crores only.

Ramesh: And in terms of the working capital, we need to spend on it, is there more to go?

Anil Jain: No, I think we don't have to spend any working capital. It's mostly the last mile connectivity, etc., Material supply, the component supply, all of that has already happened. It's mostly service-related remainder of the work, which is co-dependent on something else the awardee has to do, the TOAD board or the irrigation board, they need to provide certain things for us to do the last connectivity, but no working capital is required to complete the remainder of the billing.

Ramesh: Understood, sir. So, out of the number of projects we did, so how many of them had an O&M component, and is there an O&M component with these projects?

Anil Jain: Can you come again, the last part of your question?

Ramesh: Yes, sir, I was asking if there's an O&M component to these EPC projects, and will there be some remaining work we need to do over the next few years out of the overall project value sheet probably recognized over the last few years? How much more is left to go?

Anil Jain: I think out of the 70 projects, like 72 projects which we have completed or in process of completing, I think about 10 to 12 projects have O&M over next, I think, two to three years, but on that O&M, if we need to spend money on O&M, we are also going to bill that, right, in that given year, and this is the O&M total, our experience on the remainder of projects over the last, I think, seven, eight years, the total spend on O&M is quite light, so it's not going to impact either my working capital or cash flows materially.

Ramesh: Understood, sir, and one last question with regards to, so over the last few years, I think we had few additions because of increasing costs of completing the project, were these clauses actually built into the initial contract or were these afterwards negotiated?

Anil Jain: So, when you start the project, right, it's a tender bidding process, so you do based on the scope of the work, and then what happens when you actually go and do the project, because in one project we are doing 100,000 hectares, so you always find certain things which were different than what were presented in the tender document. In that case, then you go and seek cost plus from the tender authority or your customer, saying that there are changes than the original scope and therefore we need to do more billing, and then they do give the additional escalation, as it is called. So, some places there is a cost escalation, some places there is a change of the scope, but in, I think, if I go back in terms of totality of the question, by and large what we originally anticipated and billed, we have been able to get and whatever extra we needed to spend, because change of scope or delays, for that we received escalation or cost increases, so that has worked out fairly, I think, even in terms of the profitability coming from this project. What has really hurt or impacted company is the delayed cash flow and delayed cost of interest on if you have not received money in time, but scope the total billing which we did is in line with or with the changes that have been paid for by the customers.

Moderator: Sorry to interrupt, Ramesh, we request you to return to the queue. We take our next question coming from the line of Sumit Kumar with Margaret Securities. Please go ahead.

Sumit Kumar: Good afternoon. The company still has to repay its Rs. 674 crores in the remaining nine months of this financial year. By seeing the present state of affairs, it seems very difficult to repay or fulfill these debt obligations. So, what are the options available with the company? Is the company thinking for some asset monetization or taking new loans to repay these debt obligations?

Anil Jain: So, in fact, if you see our last three and a half, four years, three and a half years rather, our company has repaid to the banking system approximately Rs. 1300 crores. And with now having completed the project this year to pay whatever is due, the NCDs which are falling due, we feel fairly confident of doing so. In terms of options available to the company, one, the first and most important option is internal accruals.

Second option is collection of the older legacy receivables. Third option is the part amount can be some level of asset monetization such as surplus land. The fourth option would be refinancing.

So, there are multiple options available to the company. And as a prudent policy, in consultation with the lenders, we are working on all of these options at the same time. And we feel very confident that there won't be any issue.

Sumit Kumar: So, the second question is regarding the old legacy receivables. These were something around Rs. 800 crores to Rs. 900 crores. So, out of those old receivables, how much the company is expecting in this financial year, 2026-27. So, how much out of this Rs. 800 crores to Rs. 900 crores would be recovered?

Anil Jain: I think our target this year was about Rs. 422 crores to be received. Rs. 60 crores we already received in the 1st Quarter. And so, remainder of nine months minimum, and this I am talking minimum, target is Rs. 380 crores will come from that in total.

Sumit Kumar: Thank you, sir.

Moderator: Thank you. Thank you. Your next question comes from the line of Ravi Kumar with Vadaga Investment. Please go ahead.

Ravi Kumar: Yes, hi. Thanks for the opportunity. My question is related to slightly more strategic. Well, we have done an excellent job in terms of reducing the DSOs and working on a like a tight ship. Why are we Jain Irrigation is a, looks like a very asset heavy, but cash light company. And for historical reasons, I have been an investor right from the time it was 125 the share price and went through three rupees and now whatever it is today. So, I have gone through the whole cycle. Why are we not being the same kind of a campaign what we did for pivoting our business model from a project business to a retail model and also from running a very tight ship in terms of the way working capital is. Why are we not doing a identifying non-core assets which doesn't impact revenue which does not impact profitability and go on a little aggressive monetization model. Even the Tamil Nadu land which we thought will be over by May, we haven't heard anything from it. That's my first question.

Anil Jain: And second. So, I can answer both.

Ravi Kumar: Okay. The second question is with respect to the food business side, the Agro processing. If we remove the, what is the beverage, because this is a new business, which was not there in last quarter. So, if we remove that line or if you can just give us the revenue, what was the revenue, that would be great. And just a third follow-up, slight one. What is our 180 days plus receivables or maybe 180 or 240 days, whatever the way is, if we can get the receivables which are old due that will also give us some kind of a figure how it is moving.

Anil Jain: So, yes. So, thank you. I think there are three questions there. So, in terms of monetization, I think as I said, with whatever we have done, we have repaid to banking system Rs. 1300 crores through changing of the business, pivoting business. And we did generate significant amount of free cash flow during this period of time to be able to take care of the debt. And that process continues in the current year. And I think from next year, you will start seeing the dividend, which will come from positive cash flow, which will go into the growth of the company. In terms of the monetization, right, we have gone through two cycles of monetization. I think first monetization we did in 20 to 23 period.

At that time, the debt was 7,000. Today, it is a little bit less than 4,000. And we did do monetization of significant amount of overseas business, etc., The right now because of the restructuring, which was done along with the banking system, there are limitations of what you can do and you cannot do because of the framework of the restructuring which existed. And I think from next year, value-based monetization, which can create growth for the company will happen. In terms of the Tamil Nadu land, it got delayed somewhat.

And I think maybe I referred to it, it was also elections there in April, May, which took place. But it is certainly happening. Again, we are working with lenders, and I think that should get hopefully delivered in the current quarter.

So, we are on to it, right? The whole idea is that once we pay off these NCDs from next year standalone India business basis, there is no debt to pay, except the normal continued working capital, which is renewed every year. And then the debt is still left in the food business.

And as you know, last, I think one year, we have taken decisions to take food business to the next level by introducing the new beverage business, and so on. The beverage, your question was that we did approximately Rs. 60 crores into the food business in April to June quarter into that business. In terms of the receivables, which are above a certain period of time, mostly the government related receivables are above 180 days.

They are either linked to this, what you call the project EPC business, and are linked to what we call where state governments place order on the company on behalf of the farmers, governments of Andhra, Telangana, Gujarat or Tamil Nadu. And sometimes their receivables take time to come through. And this is industry wide, it is not just a Jain irrigation.

That's the way business is conducted for all the irrigation companies in those particular states. So, that, that amount is approximately, I would say total outstanding related to this farmers being placed order on us on behalf of the government is approximately 500 crores. Out of that, I would say about 300 crores would be about above 180 days.

And there's Rs. 800 to Rs. 900 crores, we talked about the government receivables, which is also about 180 days. So, about Rs. 1100 crores is about 180 days. So, look at overall net receivables for June were 1975. So, out of that almost 55% are linked to these issues. And the remainder would be the normal domestic receivables or export receivables.

Ravi Kumar: Just a small follow up, sir. No, it's just a suggestion.

Moderator: Sorry to interrupt. I do understand, but there are several other participants waiting for their turn. Really sorry to interrupt, sir.

Ravi Kumar: Just wanted this to be included in the investor presentation as a follow up so that we don't have to ask this question, at least for this year. That's okay.

Anil Jain: We will keep that up. Thank you.

Moderator: Thank you. Your next question comes from the line of Vinay Choudhury with Invexa Capital LLP. Please go ahead.

Vinay Choudhury: Hello. Yes, hi. So, my question relates to the Hi-Tech division. So, we have seen a significant degrowth this quarter in Hi-Tech. And we, of course, are facing we are consciously reducing the project division within this. However, having said that, the non-project part of the Hi-Tech is also implied to be not growing significantly to offset the degrowth in the conscious strategy of reducing the project. So, where are we and why is we are having a significant, almost 22% YOY degrowth. And of course, on an EBITDA level contribution, it's about more than 30% degrowth. So, can you throw some light on this, please?

Anil Jain: Yes, that's a good question. In fact, so if I look at the Hi-Tech division, right, three parts to the division in terms of product line. One is micro-irrigation or the drip irrigation, tissue culture and the solar, solar pump business, and the projects which are there. So, if I break up that 22% reduction in revenue, the retail business, which would cover the MIS, the tissue culture, solar, etc., that de-grew by about 17%. And the project, which is by design is going to go down, de-grew by 63%. So, let's focus on the retail business, which grew, de-grew by 17% between the three product lines. So, MIS, which is the drip irrigation business, it de-grew by 16% from 438 crores to 368 crores. And the reason it de-grew, as I said, because of the delayed onset of monsoon the normal, the sales, which were going to happen in June did not happen, and they have been postponed to the current quarter, and that would be covered in the current quarter. And the second part, which I said that the polymer prices went up 50%, so we had to pass on the price increases. So, some of the customers decided to postpone the decision till the time prices come down. So, we think this is one-off. In fact, if I look at 25 to 26 micro-irrigation and this Hi-Tech division grew for the whole year more than 20%. And current year, also, we are planning that the business will grow. And this quarter was anomaly. And similar thing, tissue culture business de-grew by 10%. Again, the farmer could not sow the plant because there was no irrigation or water available. And that's why it was a 10% reduction. Solar goes by order to order, right? So, last year, we had, we grew solar business by 300%, solar pump business. And this year, so, and the March quarter was a big quarter for us. So, we are focused on the 1st Quarter, and even July, August, to recover all the funds after those from the solar pump business.

And then, so you will see significant growth coming from solar pumps from September onwards. So, partly what you have seen is linked to the volatility in polymer prices, partly postpone the purchase decision, and partly the solar business seasonality, which will be picked up for September. All in all, I think, we feel because this is the most important business in terms of profitability, that this would be a business which would maintain more than double digit growth for FY27.

And in terms of your mentioned profitability, the Hi-Tech margin, right, went from 16.6% to 14.4%. So, about 2.2% reduction, that was due to the volume growth being not there. And so our guidance for the whole year is that margins what we typically make would be maintained.

Vinay Choudhury: So, on a full year basis, you are saying that despite this fall or 2-2.5% on a company level, the degrowth, we are maintaining a full year revenue as well as margin of 20% revenue growth and margin of 12.5-13%?

Anil Jain: I think we have said double digit revenue growth, because the situation is still not that stable. But in terms of overall margins, right, the console margins last year in this quarter were 13, but we came out at 11 across all divisions and businesses. I think this reduction will definitely be covered. And in terms of overall margins for FY27, we should do despite with all the changes and volatility, we remain fairly confident to maintain at about, I think, 14% on standalone, and approximately 12%-13% on console basis.

Vinay Choudhury: Okay, and lastly on the...

Moderator: Sorry to interrupt, Vinay sir, we request you to return to the queue for follow-ups, please. Thank you. Your next question comes from the line of Parag Kare with PK Investments, please go ahead.

Parag Kare: Okay. Just a question on these old receivables. I know we talked about how much is receivable, how many projects are doing. Do we have any doubtful project where we may have to write off certain amount? I know, I mean, historically, we haven't written off any significant amount as of now. But do we see any negative surprise somewhere going down the line, probably for the next nine months from now, which may have a slightly negative surprise for us?

Anil Jain: No, I think when we looked at and reviewed all the projects, and this goes back to 21-22, that period, and historically, right, these projects were billed and so on. So, at that time, we took a conscious call, we reviewed all the projects. And at that time, we had made necessary provisions in the books, as these receivables which are standing, so the net receivable, good receivables standing in the books at the end of June of 1975. We do not anticipate there is always few crores here and there. But we do not really anticipate any, any material or any significant write offs at all from project, all the project receivables which are there, which are there today in the books, what we are looking for, what is not already been provided, are good to go, and they will be received. Now, it has been partially time, the delay in getting project completed, the restructuring of businesses, all that has happened, partly because state governments have been prioritizing a lot of freebies, so they do not pay the EPC contractors, etc.

And this is not just our case. I think, if you have been reading news in the past about Karnataka or Maharashtra, like 80,000 crores not paid or 100,000 crores not paid and so on. But we have seen movements, right? As I said, just last quarter, we received 60 crores. And we are hoping for at least minimum 380 crores in the remaining nine months, which we are now quite confident of, because things have really progressed fast. So, just to summarize, no hits on the project receivable, and a significant amount of collection this year.

Parag Kare: Okay, the second question is on the working capital lines. I mean, I am talking about the standalone working capital. For the four years, it has its own cycle. It has its separate working capital lines. But if we see standalone business, our working capital, like Rs. 1500 crores, Rs. 1600 crores, if we compare it to some of our competitors domestically, our working capital requirements seem to be slightly on the higher side. Do you want to pinpoint any specific reason why we are on the higher side in terms of working capital requirements with respect to our competitors?

Anil Jain: Yes, so when the known, I think, listed competitors are mostly in piping business. And their working capital cycles on piping side, on the plastic piping side are much lower. And if I really dissect my working capital, also on the similar basis, you would find that also we are actually in line or in fact, we did some internal comparison. In some cases, we are even better compared to listed other organizations, where we have a higher amount, right? You mentioned Rs. 1500 crores, Rs. 1600 crores, it mostly comes from the legacy receivables of the projects where there are long term receivables.

Also, this I talked about where state government give order on behalf of the farmers, and we get paid between six months to one year. That is where our working capital is higher. And on irrigation company business, there are very few, I would say, listed entities, and of the size and scale what we have. That's the main reason.

But with, I think, when we maybe sometime next year for we talk about FY28, once the project receivables are off, you would see that our, while our overall we have improved from where we were, it would substantially further improve, especially receivable cycle.

Parag Kare: All right, sir. Thank you for the opportunity and good luck for Q2.

Moderator: Thank you. Your next question comes from Ashwin Reddy with Samathwa Investments. Please go ahead.

Ashwin Reddy: Yes, hi, sir. Good evening. Thank you for the opportunity. So, my first question is, so given that so far the refinancing of debt has not happened, I am sure there would be a reason for that or some pushback from the bank. I am curious, what is the pushback that you have been getting so far? And also linked to this, so what will change now that gives you the confidence that the refinancing will happen?

Anil Jain: So, there is no pushback. I think because the payments are only due in September, right, end of September. So, the first payment and the next payment is due in March. So, we are definitely within the timeline to get this done. You know, we are not only that we have negotiated, but we also already have a couple of term sheets in hand and discussions are ongoing. And as I said that regardless of refinancing, I think company will have adequate internal cash flow to honor the obligation.

Ashwin Reddy: Okay. Got it. But the efforts to say for the land monetization, you already explained, but even the IPO efforts have not fructified in a year and a half or so. So, what is the delay there? What is the reason for the long delay? And does the PE partner not have a timeline by when he has to exit and all? What is the theme there? And what is the reason for the delay in the IPO? It's been a very long delay.

Anil Jain: Okay. So, this is about the food business. So, I think the total expected issue or IPO on the food business was comparatively of a smaller size. In terms of the exit of the existing PE player plus additional funds raised let's say primary for the company, the total expected figure was around, let's say 1000 crores. And what merchant bankers advise is that the market, maybe last couple of months, things have slightly improved. But compared to expected valuation, for last four quarters market that really gone down.

I mean, so I think let's say end of December, a year ago, 15 months ago, merchant bankers had given us some indications of likely valuation of the food business, which was in fact, higher than even the valuation of the main company, based on the comparables and whatnot. But since then, that valuation went down considerably generally in the market, because you know, whatever the market scenario was, and I think they were pending few 100, more than few 100 DRHP filed, but people were not bringing IPO all that statistics, you guys know. So, their advice was to actually to wait and watch.

And meanwhile, some of our new business was taking place, like beverage business, etc., So, we stayed focused on that. And I think as we go along, as we move forward for September, as the market improves, that something would be seriously looked at.

And I think I am thankful that our PE investor there is patient, because they're looking for good value. And underlying business, I think, again, as a unique business of a certain scale size, including global opportunities within that business, we think eventually, it should get a good solution.

Moderator: Thank you. The next question comes from the line of Ankit Bansal with AB India Limited, please go ahead.

Ankit Bansal: Sir, my question is, why there is a loss of PAT when the revenues are not down, sir? How much more quarters we have to this unsustainable investor we have to follow, aren't we, as an investor, we want sustainability as a company, shareholder in Jain Irrigation? So, please, can you explain this?

Anil Jain: I think this particular quarter, as I explained, was a much higher cost of raw material and lower business out of the India segment, which is traditionally more profitable. And as I explained earlier in the call, that that's a temporary phenomenon, but for the whole year, we should recover. So, for a whole year, right, we should do better than the last year in terms of profitability at PAT level. And on adjusted PAT, we are still positive if we take off the notional NCD interest costs. So, I am with you, right, with all the effort which we are making. The idea is that companies should not only generate good free cash flow, but generate at a PAT level EPS that's where we are going. So, I think what we have not been able to do in the 1st Quarter, and I think 2nd Quarter is always mute, but you should see improvement in the second half of the year.

Ankit Bansal: Okay, sir, the memorandum that you have done for the coffee business, has the revenue started flowing? And what is the new biochar plant that you have started? What kind of business is that, sir? Can you explain, sir, this?

Anil Jain: Yes, so coffee, we have received the first orders from the Coffee Board. So, that revenue has started in terms of the biochar plant. As you know, we deal from farmers, we buy from them fruits, vegetables, etc., apart from selling them micro-irrigation. So, biochar means that we are buying from farmers, the agriculture waste, corn cob, or the cotton stalk or mango stones, etc., adding value going through a digester where you create biochar, which would be used again, partly as a media in our tissue culture business only, and partly given back to the farmers for the soil conditioning and so on, which will generate, again, higher productivity for the farmers, it gives. So, it is a business where you are creating wealth from waste. And on the top of that, you will get the carbon credit. The whole process of getting carbon credit takes about six to nine months. But once it starts, it keeps moving. So, it's a value-added business. I think opportunity is very large, because India is one of the largest arable area in the world in terms of agriculture, a lot of waste is being generated. And that waste you read it right in Delhi and other places, all this stuff being burned, and that creates all the pollution. And this way, if you can take all that waste, and convert that into biochar it's a win-win situation for everybody. That's the business we are starting with, as I said, mango stone, a corncob and cotton stalk, and then we will look at other waste agriculture materials. So, it's a very exciting project. You will start seeing because project has recently started any impact on numbers from the next fiscal. And that further cements our relationship with the farming community and helps us to create more value.

Moderator: Okay, sir. And do you think you are sorry to interrupt? We will be able to take that as the last question for today. And with that, I would now like to hand the conference over to the Management for closing remarks over to you.

Anil Jain: Yes, again, I would like to thank all the to all the participants, and especially for all the questions. And I am sorry one or two questioners couldn't complete them or, and you can separately reach out to us to with their question, and we will be very happy to answer. Overall, I think we are very confident for the rest of the year. This 1st Quarter was things were a bit beyond our control. And we are very confident on honoring the debt obligation, we don't see that as an issue. And the second half, I think we will be having really strong numbers. We thank you again.

Moderator: Thank you, members of the management. Ladies and gentlemen, on behalf of Jain Irrigation Systems Limited, that concludes this conference. Thank you everyone for joining us and you may now disconnect your lines. Thank you. Thank you.