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/2026/05/B-2/B-6 May 07, 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: Intimation regarding Credit Rating under Regulation 30 of SEBI (LODR) Regulations, 2015 - Non-Convertible Debentures Credit rating which has been withdrawn

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that ICRA Limited has withdrawn the credit rating assigned to the Company's Non-Convertible Debentures (NCDs) of Rs. 787.24 Crores, at the request of the Company and in accordance with ICRA's policy on withdrawal of ratings. This has been withdrawn after receiving NOC's from all lenders.

The Company has not accepted the said new rating. The Rating contract was already over by 3rd April, 2026 and hence there was no need nor justification for new rating. The Company already has valid existing rating from CRISIL, which is sufficient for the lenders and in accordance with the SEBI & RBI norms. The Company has registered its protest with the rating agency. In any case it is withdrawn and hence it has no relevance.

The Company continues to remain regular in servicing its debt obligations and continues to focus on improving its working capital cycle, recovery of receivables, monetisation of non-core assets and strengthening of liquidity position. The Company is also progressing on various initiatives including enhancement of banking facilities and monetisation measures to support its future debt servicing requirements.

The summary of rating action/withdrawal is given below: **(RATING WITHDRAWN)**

Instrument	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating Action
Non-Convertible Debentures	787.24	787.24	[ICRA]BB+(Negative); Rating downgraded from [ICRA]BBB-(Negative) & withdrawn

A copy of the rating rationale received from ICRA is enclosed herewith for your reference.

You are requested to kindly take the above information on record.

Thanking you,

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

AVDHUT VASANT GHODGAONKAR

Digitally signed by AVDHUT VASANT GHODGAONKAR
Date: 2026.05.07 16:34:54 +05'30'

A V Ghodgaonkar
Company Secretary

Encl:a/a

May 06, 2026

Jain Irrigation Systems Limited: Rating downgraded and withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Non-Convertible Debentures	787.24	787.24	[ICRA]BB+(Negative); Rating downgraded from [ICRA]BBB-(Negative) & withdrawn
Total	**787.24**	**787.24**	

**Instrument details are provided in Annexure II*

Rationale

ICRA has downgraded the rating assigned to the non-convertible debentures (NCD) program of Jain Irrigation Systems Limited (JISL/the company) and has simultaneously withdrawn the rating at the request of the company and supporting documentation shared by the company in line with ICRA's policy on the withdrawal of the ratings. ICRA's downgrade of the rating assigned to the NCD of the company reflects the continued delay in the recovery of the identified overdue receivables (IOR) as envisaged under the resolution plan and a stretched working capital cycle, which constrains the cash flow generation of the company. While the company has been timely in meeting its debt servicing obligations so far, there is a sizeable debt repayment due in FY2027 (Rs. 241 crore in September 2026 and Rs. 448 crore in March 2027). The company had intended to meet its debt servicing obligations for FY2027 through a mix of recovery of IORs (Rs. 196 crore as on December 31, 2025), sale of a land parcel (expected inflow of Rs. 125 crore over FY2027 split between Rs. 80 crore in H1 FY2027 and Rs. 45 crore in H2 FY2027), a faster recovery from project receivables and release of the incentives by the Government of Maharashtra (GoM). However, progress on all these fronts has been slower than anticipated with recovery remaining slow for IORs (Rs. 196 crore as on December 31, 2025, against Rs. 199 crore as on March 31, 2025), project receivable recovery remaining in line with the revenue booking while recovery was expected to be faster than the revenue booking to clear the backlogs and support easing of working capital.

As more than 90% of the project milestones have been completed for the remaining projects, the receivable recovery is expected to improve and the same will be a key monitorable going forward and a key driver of the company's ability to support the upcoming debt servicing requirements. Additionally, the company has been targeting monetisation of the non-core land parcel with expected inflow of Rs. 125 crore in FY2027, which will enable it to reduce the liability towards the remaining unsustainable debt repayment in FY2027. There has been considerable delay in monetising the land parcel, as the land sale is in advance stages and one part of the land parcel with a transaction value of Rs. 80 crore is expected to be monetised by end of May 2026, which will support the debt servicing requirement for the upcoming repayments. Additionally, the company's operations have continued to witness higher-than-expected working capital intensity (net working capital/operating income) in 9M FY2026, resulting in a modest cushion in the liquidity position as the fund-based limits remain almost fully utilised and the company has around Rs. 80 crore of free cash balance as on March 31, 2026 (as guided by the management). ICRA notes that the company has received fund-based sanction of Rs. 35 crore from UCO Bank in January 2026 and is in the final phases of an additional Rs. 100 crore of fund-based facility from other banks, which will support the working capital funding requirement for the company in FY2027 to an extent. The company had received approvals for ~Rs. 152 crore of incentives from the Government of Maharashtra in H1 FY2026. While the release of the incentive in FY2026 was slow, the company expects the incentive flows to improve in FY2027, thus supporting the working capital cycle.

Given the longer-than-expected time being taken for easing of the working capital cycle (release of IORs and project receivables) and land monetisation, the company is exploring the option of raising fresh debt to pay off the unsustainable debt.

The company is in discussions with potential lending partners to raise the debt over Q1 FY2027. If the company can raise fresh debt, it will be able to pay off the unsustainable debt comfortably. However, the timely closure of the fund-raising exercise well in advance of the scheduled debt repayments will be a key monitorable.

The rating continues to factor in the extensive experience of the promoters, the established market position of the company in micro-irrigation systems and the PVC/PE pipes and fitting industry, its wide network of distributers and the broad range of products catering to the agriculture and industrial pipe segments.

The rating is, however, constrained by the high concentration of revenue on the agriculture sector and the direct impact of the Government's budget allocation for this sector on the scale of operations. The rating also considers the susceptibility of the margins to volatility in raw material prices and exchange rates, the exposure to seasonality in demand of the agri-sector and changes in the Government's policies and regulations. The rating is also constrained by the working capital-intensive operations of the company, resulting in a modest liquidity position.

Given the West Asia crisis, the polymer prices, which is the key raw material for JISL's operations, have remained volatile and have risen sharply. The company's ability to pass on the raw material price volatility to its customers during a year, where the EL-Nino is expected to result in weak rainfall and thus impact farm sentiments will remain a key monitorable.

In 9M FY2026, the company's revenues witnessed a 13.4% YoY growth, supported by continued ramp-up in the retail segment and growth solar pump sales during the year. The operating margin improved to 14.5% in 9M FY2026 from 13.9% in 9M FY2025. The OPBDITA also witnessed growth in line with revenue and margin g to Rs. 366.7 crore in 9M FY2026 from Rs. 311.1 crore in 9M FY2025. The interest coverage ratio (excluding the unwinding fair value gain on 0.01% NCDs) was 2.33 times in 9M FY2026.

ICRA notes that JISL had faced significant liquidity issues arising from delays in realising receivables due to which it had applied for loan restructuring with its lenders. While the restructuring was in process, the company had to delay its debt service payments due to continued stretched receivables, a weak liquidity position and slowdown in demand. The resolution plan was implemented on March 25, 2022, and the company has been regular with its debt servicing since then. Further, the support to subsidiaries and Group entities is governed by the terms and conditions of the resolution plan and, hence, ICRA has considered the standalone financials to arrive at the rating for JISL.

The Negative outlook reflects the moderation in the liquidity position of the company amid sustained high working capital intensity and the delay in the recovery of the IORs, which will put significant pressure on the debt servicing requirements in FY2027.

Key rating drivers and their description

Credit strengths

Long track record and established market position of company – The promoters of JISL have extensive experience and the company has an established track record of several decades in micro irrigation and manufacturing of plastic pipes. The company is a leading player in the domestic MIS and plastic segments, besides being present in tissue culture and other agri-segments. The Group is also present in food processing through its domestic subsidiary. The company is present in the irrigation system, agri-input and the plastic segment through its overseas subsidiaries. ICRA has considered only the standalone entity for rating due to the restrictions on support to subsidiaries and Group entities under the terms of the debt resolution plan implemented on March 25, 2022.

Diversified product and business segments – JISL has diversified business segments and products, with the MIS segment accounting for 55-60% of the sales, followed by the plastic segment comprising PVC and PE pipes and fittings and plastic sheets that make up 30-35%. The remaining revenue is derived from tissue culture and other segments. Earlier, the company was also undertaking turnkey contracts under the MIS and plastic segments. However, with liquidity issues because of delayed receivables in the EPC segment, the company has stopped undertaking EPC contracts and is completing the projects at hand. It is now mainly engaged in sales through dealers or participates in state government-based schemes (which include some subsidy-based business) and in some cases sells directly to large contractors/institutions.

Wide distribution network – The company has a wide distribution network in the MIS and plastic segments with presence across key states in India and overseas. The company is further expanding its distribution network to scale-up its presence in the domestic and international markets.

Credit challenges

Working capital-intensive operations – The company has been facing liquidity issues in the last few years, which started with delays in receivables for EPC projects and subsidy sales, necessitating the company to apply for restructuring. However, while the restructuring was in process, the company had to delay its debt servicing payments due to the continued stretched receivables, a weak liquidity position and demand slowdown. The resolution plan was finally implemented on March 25, 2022, and the company has been regular with its debt servicing since then. As per the plan, around Rs. 1,975 crore of fund-based limits are classified as sustainable debt and ~Rs. 1,309 crore is the unsustainable portion on which there is an interest of 0.01%. JISL has strategically reduced its EPC business, which has lowered the project revenue but this has been offseted by the increase in the retail business. The company is focusing on expanding its retail business, which has a cash & carry model, resulting in efficient working capital utilisation and improvement in the overall margins, although the completion of the projects and slow recovery of the receivables under the same has kept the working capital cycle elongated.

The receivable position continues to be high, and the recovery has been slower than expected with Rs. 196 crore remaining to be recovered as on December 31, 2025 (Rs. 199 crore as on March 31, 2025). The company had received the remaining proceeds of Rs. 140 crore for the warrants issued in FY2025 in Q1 FY026, which enabled it to fund its sizeable working capital requirements during the quarter. However, the company's working capital cycle has not improved to the extent it was expected. Thus, going forward, the recovery of the overdue receivables and a timely recovery of the remaining project-related receivables leading to an improvement in the working capital cycle will remain key monitorable factors.

Susceptibility of profitability to volatility in raw material prices and risk related to foreign exchange fluctuations – The company's performance is susceptible to the volatility in raw material prices (mainly polymer process) and other agri inputs. While exports account for 12-14% of the sales, the company imports some raw materials, which exposes it to foreign exchange risks. However, this is partly mitigated through hedging. With the ongoing West Asia crisis, the polymer prices have been volatile with PVC prices rising and falling shortly thereafter while HDPE prices have remained elevated. The ability of the company to pass on the raw material price impact to customers in a timely manner during a year, which is expected to witness heat stress, will remain a key monitorable.

Exposed to seasonality in agriculture sector and Government regulations/policies – A major portion of JISL's sales cater to the agriculture industry and, hence, its revenues are exposed to seasonality and agro-climatic risks. Around 30-35% of the revenue comes in the fourth quarter of the financial year. As JISL supplies under a subsidy programme in the MIS segment and other Government-backed programmes in the plastic segment, it is exposed to the risk of changes in Government policies and regulations.

Environmental and social risks

Environmental considerations: JISL is required to adhere to various environmental and social safety norms. The company has implemented quality, environment, occupational health and safety integrated management systems with latest revision certifications and these are maintained with continued improvement at all locations. The company has formulated and implemented policies adhering to national and international standards. The policies implemented meet the requirements of the National Guidelines for Responsible Business Conduct, 2018 (NGRBC).

Social considerations: The company's exposure to social risks mainly pertains to safe operations and remaining compliant with all environmental regulations to ensure the safety of its employees. JISL has an effective ISO certified, EHS management system. ICRA does not expect the environmental and social risks to have any major impact on the company's credit profile in the near to medium term.

Liquidity position: Stretched

JISL's liquidity position remains Stretched owing to the fully utilised fund-based limits of Rs. 1,540 crore on a sustained basis, and an elevated working capital cycle constraining the cash flow from operations. With continued slow recovery of the IORs and project receivables as well as delay in monetisation of land parcel, the cash flows are expected to remain inadequate to meet its debt servicing requirements over the next 12-18 months. The company is in the process of receiving sanction of Rs. 100 crore of fund-based limits and up to Rs. 72 crore of non-fund based limits, which will support the liquidity profile of the company to a certain extent. The timely monetisation of the land parcel and release of incentives by the GoM would also support the liquidity position of the company.

Rating sensitivities

Positive Factors-Not Applicable

Negative Factors-Not applicable.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the standalone financial profile of the company

About the company

Jain Irrigation Systems Limited (JISL) was incorporated on December 30, 1986, having its registered office at Jain Plastic Park, National Highway no. 6 Bambhori, Jalgaon, Maharashtra- 425001, India. The equity shares of JISL are listed on both BSE & NSE. JISL, its subsidiaries and associates are engaged as an Agri- Infra company in providing resource to root solutions in agriculture, piping and infrastructure through manufacturing of Micro Irrigation Systems (MIS), Polyvinyl Chloride (PVC) Pipes, High Density Polyethylene (HDPE) Pipes, Plastic Sheets, Agro Processed Products, Renewable Energy Solutions, Tissue Culture Plants, Financial Services and other agricultural inputs with a focus on water, soil and crop conservation and management for more than 30 years and has been able to touch the lives of more than 8.75 million farmers.

Key financial indicators (audited)

JISL (Standalone)	FY2024	FY2025	9MFY2026*
Operating income	3793.5	3226.9	2530.2
PAT	55.5	24.8	12.8
OPBDIT/OI	12.5%	13.7%	14.5%
PAT/OI	1.5%	0.8%	0.5%
Total outside liabilities/Tangible net worth (times)	0.7	0.7	-
Total debt/OPBDIT (times)	5.2	5.5	-
Interest coverage (times)	1.6	1.5	1.7

*Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore*

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2027)				Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
Instrument	**Type**	**Amount rated (Rs. crore)**	**May 06, 2026**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**
Long term fund based: Term loan	Long term	-	-	-	-	Apr 30, 2024	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING and withdrawn	Apr 03, 2023	[ICRA]BBB- (Stable)
Long term fund based: CC	Long term	-	-	-	-	Apr 30, 2024	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING and withdrawn	Apr 03, 2023	[ICRA]BBB- (Stable)
Non-convertible debentures	Long term	787.24	[ICRA]BB+ (Negative); downgraded & withdrawn	Aug 29, 2025	[ICRA]BBB- (Negative)	Aug 21, 2024 Apr 30, 2024	[ICRA]BBB- (Stable) [ICRA]BBB- (Stable) ISSUER NOT COOPERATING	Apr 03, 2023	[ICRA]BBB- (Stable)
Non-convertible debentures	Long term	-	-	-	-	Apr 30, 2024	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING and withdrawn	Apr 03, 2023	-
Short term non fund based: LC	Short term	-	-	-	-	Apr 30, 2024	[ICRA]A3 ISSUER NOT COOPERATING and withdrawn	Apr 03, 2023	[ICRA]A3
Short term non fund based: BG	Short term	-	-	-	-	Apr 30, 2024	[ICRA]A3 ISSUER NOT COOPERATING and withdrawn	Apr 03, 2023	[ICRA]A3

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs ($)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

($) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutal Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Non-convertible debentures	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
INE175A07019	**Non-convertible debentures**	Feb-19-2022	0.01%	Mar-31-2028	787.24	[ICRA]BB+(Negative); Rating downgraded & withdrawn

Source: Company

Annexure III: List of entities considered for consolidated analysis – Not applicable

ANALYST CONTACTS

Girishkumar Kadam
+91 22 6114 3441
girishkumar@icraindia.com

Prashant Vasisht
+91 124 4545 322
prashant.vasisht@icraindia.com

Varun Gogia
+91 124 4545 319
varun.gogia1@icraindia.com

Aryan Jaiswal
+91 22 6169 3359
aryan.jaiswal@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches