



**Jain Irrigation Systems Ltd.**

Small Ideas. Big Revolutions.®

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

**Sub: Transcript – Q4/FY26 Earnings Conference Call**

Dear Sir/Madam,

Please find enclosed herewith transcript of **Q4/FY26 Earnings Conference Call** held on May 15, 2026 at 05:30 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

Q4 and FY '26 Earnings Conference Call”

May 15, 2026



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

**MODERATOR:** **MR. MAHIR MANI – DRCHOKSEY FINSERV PRIVATE LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to Jain Irrigation Systems Q4 and FY '26 Earnings Conference Call hosted by DRChoksey Finserv Private Limited. As a reminder, all participant line 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 star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mahir Mani. Thank you, and over to you.

**Mahir Mani:** Thank you, Danish. Good evening, everyone, and welcome to Jain Irrigation Systems Limited earnings call to discuss the Q4 FY '26 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 the company's website.

Now I 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 questions. Thank you, and over to you, sir.

**Anil Jain:**

Good evening to all the participants and the listeners for the call. Thank you for joining company's conference call for the fourth quarter results and the overall year review. So as we circulated, we had a Board meeting earlier today, and we have circulated the results, you might have seen that overall, when you look at it, we were able to manage approximately a revenue of about INR1,800 crores this quarter as the entire company as against same period last year at about INR1,750.

So registering about a nominal growth of about 4.3%. Within that, the Hi-Tech business, which primarily means drip irrigation, tissue culture, grew, in fact, about 8%. There is a small amount of degrowth in Plastic business because of slow quarter for the piping in the first quarter. And the impact we had because of very high prices of raw materials in month of March.

And Agro Processing also did about 6% growth during this quarter. And in terms of overall EBITDA, EBITDA grew about 7%. So revenue grew 4%, EBITDA grew about 7%. Within Hi-Tech, the EBITDA had a really good growth at about 22% compared to the same period last year.

The plastics grew also 3.3%, but Agro Processing had a negative EBITDA growth for this quarter, while for the whole year, they had a positive EBITDA growth. We have been able to improve the margin. Overall margin came at 13.2% as against 12.8% across all the divisions.

Within individual businesses, Hi-Tech came out at 19.8% as against last year same period, 17.5%. So that's a substantial improvement. Even Plastic was a little bit higher at 10.2% versus 9.7%.

So this has been in that context and background, we have been able to hold our margins, even though revenue growth was lower than what we were

expecting or we were anticipating in the quarter. If I look at the whole year now that we are aggregating all the 4 quarters, revenue has grown by about 11% for the whole year.

That includes the consol business, that is a business in India, the food business, the overseas Plastic business all put together. But within that 11%, you would see that the Hi-Tech business grew more than 20%. So that has been really heartening to see that the business which is most profitable, grew at the best rate.

The plastics grew only at 2.4%, and the food managed to cross INR2,000 crores revenue by growing 9%. So again, overall positive revenue growth and especially in Hi-Tech, it was 20%. So that augurs well going forward.

In terms of EBITDA, while revenue growth for Hi-Tech was about 20%, EBITDA for the whole year grew to 26%. We had a negative growth in plastics EBITDA because revenue was -- also did not grow. And food managed about 9% growth in EBITDA compared to the last year's same period, in line with its revenue expansion.

But if we look at the kind of India side of the food business did very well during the whole year. While we had some challenges in our European and U.S. business, those are being addressed. And I think we expect current fiscal year, that is FY '27, they will not remain. So next year looks then quite good for the food business in totality.

In general, in terms of the market, what we have seen that the pricing shock, which we saw in March, where some of our polymer, we use PVC and polyethylene for piping business and linear low-density polyethylene in drip irrigation business.

And we saw that between 20th February to sometimes in 25th of March, prices had gone up substantially, resulting into almost -- at one point, there were more than 50% increase in the raw material prices within a space of about 20 days. And on polyethylene side, it was, in fact, 60% increase.

And so that was a kind of a shock to the system. This was unprecedented, not seen anything like that even during COVID period. And in fact, over the last

40 years, this was in such a short period, such an amount of increase, which took place.

And since then, if I talk about late April, early May, PVC prices have come down because part of PVC gets supplied from China, which is coal-based, and that comes at a lower cost. And it is not -- because it is coal based, it does not have to be a derivative of the crude. While polyethylene, HDPE or LLDPE, continues to remain still quite high because it is direct derivative of the crude. So those prices are about 40% up. They had gone up to 60% up, but they are now at around 40% level.

And PVC is down to about 10% compared to where it was in February. So we have seen -- since these prices have come down, we have seen demand for PVC pipe already come back. And things -- while March and April, we lost some business due to uncertainty in the market, customers decided to postpone their demand or their orders, especially the farmers.

And -- but PVC has come back, and we expect that over the next few months, as this is expected also to be -- monsoon is expected to be lower than normal. We expect stronger demand for water management products from farmers. So we expect next few months to be better unless there is another big price shock, which one cannot predict and one is not aware.

But as things stand, I think what we saw the worst between first 3 weeks of March and through April, things are -- have stabilized and business is coming back to normal. So the second half of this quarter looks better than the first half.

And then onwards, July onwards should also be better is our overall sense in terms of where we are going. In our food business, we had planned also new business where we had talked about that we are getting into beverage manufacturing.

And so I'm happy to report that in the quarter, the 2 beverage lines started, one for juice and one for CSD. And there is a discussion ongoing to also put additional 3 more lines during FY '27. And we are looking forward to closure of those discussions soon and then move forward with that additional investment. Overall, I think we had a small amount of revenue because of the

initial trials, etc., in late February and early March. But we did some amount of business already in March.

So we expect current year to generate again, the revenue and the margins into that new side of the business. The other business which we are working on a collaboration with the Japanese company, it's about tomato processing. That plant would start sometimes, I think, January. That is the next mango season - - sorry, tomato season when that comes through.

As we also speak right now, we are currently processing onion since January, and that season has gone reasonably okay for us. So that augurs well for the next year in terms of improving sales of onion, etc., dried onion. And the mango season is just starting as we speak. And this year onwards, '27, '28 onwards, we also expect that once all the rules are notified under India USDA, earlier, we used to pay 10% duty on onions while being importing.

Now the duties are going to be zero. So that should be good to create demand for those type of products for us into European markets. And again, that should help overall our food business. In overall scene, we are cautious right now, right, because of this unpredictable scenario related to major raw materials which we have in terms of the plastics, which we use in drip and pipe business.

But overall, as things stabilize, I think revenues will come back and kick in again. And in terms of the food business, as I said, there are 2, 3 things which are happening, which are positive for the food for the next year. One of the other things which happened during this period that the lower demand was not just linked to the higher raw material prices, which was one of the important factors.

But because of this war-type scenario, some of the agriculture produce, which farmers sell, like things like banana, which goes into export markets, banana, onion, grapes and so on, which are our primary customers as farmers, due to this whole war type scenario, the exports went down.

So the price they were getting also went down and which was also a dampening reason for them at a given point of time. But from what we hear from the market, things have stabilized even on that front now, and farmers

are getting better prices for their produce now. So that should help them to make those purchase decisions they need to make.

In terms of coming to financials now, I think if we look at the overall year, that whatever revenue and the EBITDA we generated, we were able to convert a substantial amount of EBITDA into free cash flow when I look at overall performance of the company.

And that's important to know because that is what our really focus is going forward next year also that almost -- if you look at for the whole FY '26, whatever EBITDA we generated, almost about 76% was operating cash flow post working capital change was created in that to -- in north of about INR600 crores, and the idea in the current fiscal FY '27 is to take this amount to 4 figures by recovering the old government receivables and project receivables.

So there was some movement in this particular quarter where some INR80 crores were reduced in January to March from the government project receivables. And again, in April, we also received INR30 crores. And we expect FY '27 to be a year where substantial amount will come down so that from FY '28 onwards, we don't have to discuss about this issue because that would be behind us in totality.

So our focus has remained on cash flow and the fact that we could generate INR600 crores of operating cash flow after working, I'd say, in August goods. And we also focused on working capital cycle and that working capital cycle has been reduced by almost about -- by 15 days in total across different businesses despite all the volatility and the changes which have been there in marketplace, including what happened in the March.

So overall, when you look at business level, business level profitability, ability to collect cash to honor the obligation, '27 is important because while we -- last 4 years, we have been repaying all our obligations on the debt and on time. There are additional obligations in the current year, that is in FY '27. Those are due in September and March.

And we feel that company would be able to generate adequate internal accruals to be able to take care of that matter. And by March, almost 98% of

the old debt, which we had, which was interest-bearing debt in terms of term loans and FITL, etc., that has all been fully repaid.

About 1% or 2% remains, which is on an ongoing basis. And now this year, we repay 0% debt, the NCDs, which we're carrying in our books. So that's where we are. So all in all, some good news and some difficult times we have gone through in March and April. But I think structurally, speaking, business is in a good place.

Our ability to be cost competitive and make good margins is there. And at least on drip irrigation business, etc., I think our margins are better than most of the companies because the fact that we sell system and we sell crop solutions rather than merely plastic products.

And that is what is helping us as a company. Food is moving next year. I think domestically, food was already very strong this year. Next year also looks good for domestic business. And with the addition of the beverage business, food should do very well. And the hit we have taken into a couple of overseas businesses in food side should also not be there in FY '27.

So overall, food should be okay. The Plastic business, especially the piping part, which is a domestic business, as things have stabilized, polymer prices now, PVC, especially has come down to a reasonable level, should create now sustained stable business environment. Plastic sheet business, which is overseas, is already doing reasonably well.

So all in all, despite some of these headwinds, we think company should do better in FY '27 compared to '26 on all parameters. By and large, the revenue, the margins, the cash flow, all 3 parameters and balance sheet should definitely become far better than what it is today with a large chunk of repayment.

That's what our focus is. And we think we need to prepare ourselves to face some of these uncertainty and challenges, mitigate some of these risks which are out there. So one has to be a little bit cautious, right? You can't go say, gung ho, I'm going to do things in a very different way.

Another factor, the business which grew last year was also as a part of the Hi-Tech division has been the solar agri pump. That business grew nicely. And

we expect with also additional government initiative, solar agri business should grow also in '27. So there are some places where I see definite growth opportunity.

As I said, solar pump will grow. Drip irrigation, especially into the markets where farmers buy directly from us via dealers should continue to grow because it's a good solution for farmers to improve productivity and prosperity. And the food will do well. Plastic sheet overseas is already doing well. Pipe, which did not grow this year, we expect to grow next year.

In terms of different businesses, I think in the current year, the domestic business grew about 12%. Exports were lower, less by almost 10% -- 10%, 11%. And the retail business within that grew 13%. So our target is that the retail business should grow more than 15%, right? And that was in the current quarter also in the whole year, but we ended up at 13% because of lack of sales in March because of the shock.

But I think going forward, our focus would remain that the domestic and the retail business should maintain that 15% plus growth. And export, we have to be watchful this year because of whole geopolitical scenario, the tariff issues, sometimes you can't ship, all kinds of issues.

But even there, this year, I think we clocked exports of last year INR455 crores from the earlier year of INR500 crores. So that was a 10% loss. But now with the depreciation of the rupee and rupee level, some of our products, especially on the food side, exports could become more competitive and that would help us.

So I think this is where we are. So we are cautious. We remain focused. '27 is an important year. And -- but I think overall, we are in a good way, right, for the whole year, right? Again, our business quarter-to-quarter keep moving. But for the whole year, we should do well.

And also one last item on the PAT, the reported PAT being negative was also the fact and that is covered in the notes was that we have opted this year to go for the new regime on the taxes at 25%. Earlier regime was 34%. And because of the earlier accumulated losses, we had created deferred tax assets based on 34% future tax rate.

Now the fact that we are moving to the new regime of 25%, that means we needed to unwind some of those earlier deferred taxes, which were created as an asset based on 34%. And that impact has already been given. It's a noncash impact, and that was -- that got necessitated because of the government circular in February, which said that if you decide not to move, then you could lose all the MAT credit, and we had MAT credit of more than INR80 crores.

And therefore, that decision we have taken, it's a onetime hit. And for the whole year number, there was also a onetime change due to the Labour Code. Again, that was a noncash item. And usually, in our PAT number, also some of the unwinding of the 0% NCDs also comes through. That was another INR80 crores, which was also -- is a noncash item.

So when you see reported PAT and if you add back some of these numbers, the adjusted PAT comes out to be quite positive for the company. Of course, we need to further do it and further improve it.

And I think that's where our efforts are. So I would like to thank everybody for being patient and listening through almost half an hour of all the review of the business of where we stand, how '26 went and what are we expecting in '27. And as I said, '27 being somewhat uncertain year because of all these situations. We'll continually monitor what is happening. We are hands-on in terms of where we need to grow.

And where necessary, we are employing within our business and within our data, artificial intelligence to improve the efficiency of business, improve training of people, how do we reach out to the dealers, how do we give more crop solutions to the farmer. So a lot of work is going on to create a more robust platform than we had in the past.

Thank you, and we would be very happy to take any questions you might have. Thank you again.

**Moderator:**

Thank you, sir, for your presentation. Ladies and gentlemen, we will now begin with the question and answer session. The first question comes from the line of Praneeth from Samatva Investments.

**Praneeth:** So we just wanted to understand in terms of the debt repayment. I understand that you mentioned with cash to be able to service it. But if you see our standalone business where most of our entities are, we don't have that much of cash flow. So could you explain how are you planning on servicing the debt, especially in previously, the management has indicated that you might restructure some portion of it and there might be a fund raise.

There were many options given, but it is always vague on how are we planning on specifically paying this liability. So could the management explain what's the strategy now, whether there would be restructuring of debt or what is going to go?

**Anil Jain:** Yes. I think that's a good question. The standalone business, which we have does generate certain amount of cash flow. And even the last year, I think in '25, '26, we generated net cash from operations about INR350 crores post working capital change. And part of was the increase in the receivables, etc., the fact that we would expect to cover these receivables, in fact, should go down about INR450 crores from the government.

With all that calculation, we are expecting the INR350 crores to grow to almost about INR750 crores, INR800 crores is our anticipation. So while that is our clear objective that from internal accruals of standalone business is what we should be able to repay majority of these entities with [inaudible 0:26:15].

In addition, we are expecting in the current year in standalone business, about INR150 crores of the government benefits. This is not linked to the projects or these are not subsidies. These are special benefits, which are good, which would be released by the government in the current year. And that amount would be also available to pay for this debt.

In terms of the backup options, right, if things are delayed on the government projects or receivables, the backup options are always available about refinancing, backup option about raising of the equity, etc. Those are available.

So -- but we feel fairly confident that we should be able to do through internal accruals. And I would like to state that, look, between '23 and '26 since we signed restructuring, or since '22 in last 4 years, we also repaid

INR1,300 crores total to the banks, and that is possible. And it became possible. So companies are stronger today than, let's say, it was 3 or 4 years ago. So we feel okay and good that we can do this.

In terms of backup option, I think we are exploring everything, including refinancing if required. And this scenario of what has happened in March and April necessitates some of the additional backup one must do because things are uncertain. And we are exploring those. And I think sometimes in July, when we speak, we should have more clarity on it.

Now as I also explained, this debt is -- smaller amount of debt is due in September and majority amount of debt is due in March. So it's 10 months away. I think we have necessary wherewithal to ensure that it will be paid properly.

**Praneeth:**

Understood, sir. But like we have always had like many of these backup options in terms of asset sales and government receivables and all of that in the past also to prepay or whatever it is. But we have not -- most of them tend to work out. So how fairly confident are you in terms of getting the government receivables, that it be the benefit or the project receivables?

And like in terms of everything got delayed, I understand the management is doing everything from their behalf, but it is -- and it's not very far apart. 10 months is not that long. And the next payment in September, that is also not too long. With the existing situation, it looks like still to be difficult.

And we are also doing a lot of capex in the food business where it has its own commitments. So overall, this is how -- because it got delayed so far, I'm just curious on where -- how confident is the management in terms of doing that because neither we did it with IPO in terms of liquidity. And we have -- and land also got delayed. So is there any other backup option of the restructuring that's already said because getting financing in this market also could be difficult, right?

**Anil Jain:**

No asset sale actually about the land is also in -- we kind of signed the MoU, etc. It's based in Tamil Nadu. There were recent elections there. So it is expected to be closed this month, next month. So when I -- overall, right, so also you talked about government projects and the delay.

The scenario is that in terms of the government projects, now I think 4 major projects have been completed. So funds have to come. Earlier, there was still last milestone was not done and so on and so forth. That's in place. The government benefit I talked about, we got the approvals only in July, August. So payment has to only take place this year. It could not have been done earlier.

So when I'm saying something, it's based on being conservative and also doing thorough analysis. So -- and as I said, September part, we already know how that would happen. The March part, there is some more work needs to be done. I think as I said, we have 10 months, and we are very confident that this will be done, no issues.

**Moderator:** Our next question comes from the line of Sanjay Kohli from Goldstone Capital.

**Sanjay Kohli:** As a follow-up to the previous speaker's question about the debt management, there was a recent report by ICRA on the ratings update, which they provided. And that has mentioned a very advanced level of talks about sale, which should crystallize sometime this month. Where are we with that, sir?

**Anil Jain:** Yes. So I think the sale of the assets, as I said, it is happening in Tamil Nadu. We already signed the necessary MoU or whatever else. So it should happen over next couple of weeks. So that's in place. So that's what I'm saying. So these things are happening now, and we feel fairly confident that's not an issue.

**Sanjay Kohli:** Okay. So that's wonderful news because this would be a very nice near-term catalyst for investors to be also looking at the valuation?

**Anil Jain:** Sure, sure.

**Sanjay Kohli:** Yes. And what progress have we made in the U.K. business and in the bottling plant? And since we made the announcement, what sort of cash generation from operations, what has been pumped into these businesses so far, the amount if we can get a handle on the -- basically on the capital work in progress or the investment collectively -- individually and collectively?

**Anil Jain:** No. So the bottling beverage business, we have invested approximately INR140 crores over the last couple of quarters, December and March quarter. And the first project is already online. It's working. We do not have to put any working capital because that's how the business works and business has started functioning.

In terms of the U.K. business, which was a different question, where we have grown this year from, I think, GBP 60 million to GBP 68 million on the food side, but there were some challenges related to cost because of the growth, which we were achieving, there were additional costs attached to it. And those costs, I think, will not be there in FY '27.

So I think we should get back to higher level of EBITDA into that business. But overall revenues are protected good. In a market which is not growing much, the fact that we could grow about 12% was quite nice. So as I said, if you look at overall business, the food business, the seasons for Onion and Mango look good with rupee depreciation, that should further help.

And the beverage is a new project, which has already started. So that augurs well. And the negative, which we had in U.K. -- especially U.K. market and partly U.S. market, should not be there in FY '27. So overall, food business should come back very quite strongly. Even though in the current year, food business did better than earlier in terms of revenue and EBITDA, both they grew for 9%. But next year should be better in both.

And as I said, because of the current uncertainty, I don't want to talk of any numbers where we'll end up because everything is disturbed one way or the other. But overall, directionally, I think it is quite positive.

**Moderator:** Our next question comes from the line of Sumit Kumar from Magadh Securities.

**Sumit Kumar:** Sir, my first question is regarding PAT. So a lot of hard work is going on and have been done in the past. But still we are -- on PAT front, we are not on positive side. So can you give me some time that from this quarter, we are expected to be PAT positive? Sir, it seems like we are working just for unpaid employees of banks.

Whatever the EBITDA is, major chunk is going for financing the debt and debt is increasing rather than decreasing, it is increasing on as per the data basis. So can you give me some time line that from that quarter, we would be PAT positive?

**Anil Jain:**

So I think that's a good question. For FY '27, right, our plan right now is to be PAT positive. But I want to just bring attention to one part, right? That's a pain felt by us also, right, that whether you are unpaid employees of the banks after doing all the work. But when you look at the PAT, for example, for the entire -- the PAT is at minus INR40 crores.

But within that INR40 crores, these were onetime issues plus the unwinding of these NCDs, which is a noncash item and not linked to the current year performance. If you adjust that adjusted PAT and which we have given in the investor presentation also on Slide 9 is about INR133 crores, which was INR97 crores earlier.

So there is an improvement in the PAT which we have earned on a cash basis. But on a PAT reported basis, it is negative. But I think the whole idea of thought process from next year onwards, right, is that you must earn the PAT even post any adjustment, if any, to be on positive so that you have a positive EPS. So that's what we are striving for, and it should happen from next year.

**Moderator:**

Our next question comes from the line of Parag Khare from PK Investments.

**Parag Khare:**

Sir, I joined slightly late. I missed some of your opening remarks. How are we doing in terms of bottling plant progress? And how much we expect? And if you can just tell with whom which we are doing the partnership and what kind of revenue we expect from the bottling plant lines because this being the summer season, a peak time. So what's your estimates for Q1 from the bottling plant side?

**Anil Jain:**

So I think the 2 lines which we set up have already started working part of February and March. But of course, there is the initial period trials and all of that, those have happened. And we already had, I think, about INR27 crores, INR28 crores revenue clocked before end of March. I can't give you the details of exactly what is happening now, but the overall season is going well. We are running both the lines quite well right now as we speak.

And the rest of the season goes and all of that, the next year revenue should be good for both of these lines. And there is a discussion that we should do additional 3 more lines, I think by investment in December, January. But most of that revenue will come -- some of it will come in the fourth quarter, but most of the revenue for the additional 3 lines should come into the next fiscal year. So that's where we are. It looks very positive. And we think this is going to be very good for the overall food business.

**Parag Khare:** Okay. And are we getting closer in terms of doing the IPO for the food division or we're still some distance away?

**Anil Jain:** Generally, we are some distance away because of also merchant bankers tell us that the market right now has difficulties and smaller issues, especially larger difficulties. If you have a very big issue, then it's a different story. So that is something I think we need to continue to look at market.

And based on the advice from merchant bankers, investment bankers, who will look at it. But I don't see that immediately happening, at least not in the first half. We will see how things change post some of these uncertainties go away in the second half.

**Moderator:** Our next question comes from the line of Ravi Kumar from Wadhva.

**Ravi Kumar:** I just want -- the market rumors that the beverage partnership and the Tomato Puree partnership is with Reliance Consumer Packs and Kagome, would management be able to confirm or deny this?

**Anil Jain:** No, we don't want to confirm or deny. In a sense that Kagome is a global international player, and we are working with them. They have been our customers for Tomato Puree earlier, and we are working with them to increase what you call partnership more. Also, we are definitely working with Reliance Consumer. They are also our customers, and we are doing more things with them.

As we do also, for example, Coca-Cola has been our customers for 15, 20 years. We work with Nestle, Unilever, all different types of people, the global food companies, Indian companies. And again, I think as things evolve, we would be discussing more details out there. But things are moving in positive

direction. There is a very strong undercurrent of the opportunity which is out there on the beverages, on overall food business.

**Ravi Kumar:**

Okay. Just a follow-up -- not a follow-up question. Sir, when February 4, when we had our results for the Q3, I mean, at least at that point of time, we were looking at overall Y-o-Y 15%. That would mean we are in Q4, we are almost short by -- in revenue, we are short by around INR200 crores to INR250 crores. I understand you gave details.

Could you just be able to unbox this INR200 crores, INR250 crores by various segments? Where did we lose? And just linked to that, I mean, Feb end is when this whole uncertainty started. So the March was a troubled one. I can understand we would have had a margin impact because of the raw material price increase. How did it impact the revenue part? If you can just -- I'm sure there must be reasons. If you can just give us a little bit more detail on that?

**Anil Jain:**

Yes. I think -- see, usually, if you think the drip and pipe which we sell to the farmers, the first crop, the kharif crop comes through January, right? January, early February, then the farmer fields remain open. So our season, real season starts in March, then March, April, May, June, before the monsoon, we sell a lot these 4 months. And then monsoon, there is a lean season, again, July, August, September.

And then post the monsoon, again, business picks up. That's the nature of the business. And when early February, when we spoke, right, we were anticipating because of the earlier good monsoon, a very strong season happening through March onwards. And that is when this war stuck.

And I have day-wise details, right? In first 15 days, the prices of PVC were up by, I think, 30%, prices of polyethylene went up by 30%, 35%, which are the raw material related to PVC and drip business, which is what kicks in that time. And the farmers decided to postpone their purchases. Then they got impacted also because of the lower produce prices for themselves.

And that is what -- so the entire reduction, about INR200 crores, INR250 crores is linked to this pricing shock in March. Otherwise, our overall revenue for fourth quarter should have been -- for standalone, which was

about INR1,000 crores, was about -- should have been about more than INR1,250 crores in that region.

So -- but despite that, if you see overall margins have remained same. So overall EBITDA for the domestic standalone business for the fourth quarter is higher than the same period last year. So imagine a scenario, if we had done INR200 crores, INR250 crores, EBITDA would have been higher by about INR25 crores at least.

**Ravi Kumar:**

Exactly. Sir, but for March, whatever we have already had an inventory...

**Anil Jain:**

Yes, yes. So I think March -- I would answer the question. I heard you that there is -- of course, there is an inventory. So question is the farmers postponed, in general, the purchase decision because when the raw material prices -- you average out the pricing, right? When you're buying raw material at X, then next week or after 2 weeks, you buy at Y and then that.

So you always average your raw material price and your finished goods prices. And so that's the industry practice, and that's what we did also. And partly, as I said, the farmer postponed decisions to purchase also was not just due to this price shock, but the fact that the end produce prices for them went down because the exports of some of these agri and food commodities also went down at the same time because of the shock.

So that is the reason, and that's why we fell short because we were planned and ready. But as I said, things have started coming back now, what has gone is gone. And we still manage a reasonably good level of EBITDA for the whole year and for -- and a growth for this quarter also, but it could have been much better. So I think we can move forward to the next question.

**Moderator:**

Next question comes from the line of Ankit Bansal from AV Private India.

**Ankit Bansal:**

Sir, how are you looking at the current scenario like with global environment, with domestic environment? How are you positioning yourself as a company, which has been coming from the last struggling 4 years? How are you seeing your businesses? Because you are in a lot of businesses.

My question mainly is that why not focus on the main part of the business like food and beverages. Your pipe business is not doing -- I think so in

North India, I have not seen any presence of your company. What are your comments on that?

**Anil Jain:**

Yes. I think, see, the company has been configured to operate across agri value chain. So just to quickly refresh everybody, we have Hi-Tech division where we provide to farmers the drip irrigation, the pipe, which goes along with the drip irrigation and also the tissue culture, the planting material.

Then we also buy from farmers what they grow and we process the fruits, make the pulp and now the beverages. So we are across the agri value chain, right? We can't pick and choose that's how company is structured and configured. But your question is valid that how much do we sell in North.

So our sales for the piping business are far more in Western and Southern India, but they are growing in North. I think because our base is lower in North, the percentage growth, in fact, is higher now. And we have a manufacturing plant in Alwar near Delhi and within Rajasthan. And we are adding capacity into that to grow more into North. We are also adding more dealers.

So I think the situation that our brand is not visible in North would change over next, I think, 12- to 18-month period. But all in all, the pipes are linked to irrigation. They are linked to the farmer. So this is a consolidated offering, and that is a unique point, right? Yes, you mentioned that we have struggled 4 years.

But within this period, we also repaid a substantial amount of debt. Company has increased its retail business. Company has increased the dealer network. The margins are better today than, let's say, they were 3 or 4 years ago. So those are the positives.

And now with this year in FY '27, the substantial amount of debt gets paid. Thereafter, company can be very focused on the growth agenda because whatever positive cash flow it generates, it can go into the growth. And there is still a lot of growth in this country left, and we are also export oriented.

So when medium term, right, if I think of 3, 4 years, we are very, very positive. And even for the next year, we are being very cautious when we

Speak because things are uncertain. We do not know what holds for any or all of us, and we will see how that goes, but we are preparing ourselves for that.

**Ankit Bansal:**

Okay. Sir, one question, sir, about drip irrigation, like it's the major technology. Why it is not changed in Northern India? I have never ever seen drip irrigation projects in district like Haryana, like Delhi, like Jammu and Kashmir, like Punjab. So why it's not changing all over India, why it's changing only southern part of India?

Why it's not capturing all over India? It's a win-win technology, sir. Why it's not -- everybody is not using it. Why -- what's that big hole that is not -- that country is not adopting to this technology?

**Anil Jain:**

Yes. Again, that's a good question. So if I really look at that FY '26, right, how much drip we sold where in terms of different regions. So Maharashtra, just to give you a flavor of the numbers, right, Maharashtra, we sold INR700 crores. South 4 states put together, we sold INR400-odd crores.

Then in the West, West is then Gujarat, MP, that part, Rajasthan, that was INR250 crores. The rest of the North, we sold about INR88 crores. So it is not that we don't sell, INR88 crores. And North East part, we sold about INR100 crores. So we are selling.

And in fact, if I look at in North, last year sales were INR75 crores. This year, they were INR88 crores. So there is a 20% growth. East last year, our sale was INR60 crores. This year is INR107 crores.

So there is a substantial increase there also. So the reason North has less demand today, and I would underline the word today for drip is typically in West and South, if farmer needs to irrigate his farm and if he needs to take the groundwater, for example, he needs to go down 100 feet, 200 feet, 300 feet. In places like UP and Bihar, a lot of places, you go down 10 feet and you get water. So the value of the water understanding is less in North.

But you talked about Haryana. Let's talk about Punjab, right? There are these rivers and the canals and the farmer keep on getting water. They keep on getting free electricity. They don't want to save.

And if they are growing just wheat and rice, the government is buying. They're not worried about marketing. The farmers in West and South, right,

they are growing value-added agriculture. They want to make more production, so they want to employ drip because drip just doesn't save water, but improves productivity and production by 50% for these farmers, they make a lot more money.

Some of our customers in West and South are making INR2 lakh, INR3 lakh, INR4 lakh per acre per year net profit. And some of the farmers in Northern India are also doing. We have cases of farmers in Bihar, UP, Punjab, Haryana. Number is small, right? But they are now doing very well.

They are growing crops like banana, moving beyond wheat and rice. So -- and we have now started drip on the rice also. So what happens is that sometimes it takes time.

And now I believe, right, if last 20 to 30 years, Western and Southern India has used drip as a technology to change the farming and to improve the farmer incomes. I think over the next 5 to 7 years, that's going to happen in North and Northeast.

And it has already started. I gave you the numbers that we are already growing in these areas, but this is small. But I think over the next 2, 3 years, as we get more dealers to push forward and as the farmers also are doing more value-added agriculture, a lot more drip would get sold there.

**Ankit Bansal:**

Okay. Sir, one question, last question. Sir, Coffee MoU, how far it has gone that you have signed with J&K government?

**Anil Jain:**

Yes. The Coffee MoU we started -- we signed with the Coffee Board. And there, our first drip irrigation systems have been delivered to the coffee grower. Again, it is happening for the kind of first time in the world that coffee, they are using these advanced irrigation methods. We already have good sales in J&K.

There, the MoU was to work with the irrigation technologies into crops like saffron because -- and apple, that is what has grown more in Northern India. And there also, we have a good success. And we think J&K using the technology can modernize its apple garden and apple orchards.

And then India does not have to import apple because today, our productivity is quite low. So we're working with the local farmers there to change the entire package of agriculture practices into a product like apple.

**Moderator:** Ladies and gentlemen, that was the last question for today. I would like to hand the conference over to the management for the closing remarks. Over to you, team.

**Anil Jain:** Yes. So I think already just to summarize what I said, the last couple of months have been challenging into the business, but things are stabilizing. And so there are green shoots. Growth is back. Farmers have started coming with orders.

So that's positive. Overall, food looks as a much positive year for '27. Drip continues to remain quite good margins and profitable for us. And our focus this year is on cash flow as one most important priority to ensure that we are able to take care of the significant amount of debt which is falling due this year, but we are very confident that it would happen in time.

And we have taken necessary steps and we have backup options to ensure that we will come through well on that. And '28 onwards, business is focused purely on growth because internal accruals and cash flow would provide the huge support for the growth across all 3 businesses we have. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, on behalf of DRChoksey Finserv Private Limited and Jain Irrigation Systems, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.