

August 12, 2019

To,
BSE Limited
The Corporate Relationship Dept.
P.J. Towers,
Dalal Street,
Mumbai – 400 001

BSE Company Code: 500214

Dear Sir/ Madam,

Sub: **Submission of Analyst / Investor Presentation**

Pursuant to Regulation 30(6) read with Part A of Schedule III of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed presentation being made to Analyst / Institutional Investor to discuss the Financial performance of the Company for the First quarter ended June 30, 2019.

The aforesaid information is also disclosed on website of the company i.e. www.ionindia.com

Kindly take the information on record.

Thanking You,

**Yours faithfully,
For Ion Exchange (India) Limited**



**Milind Puranik
Company Secretary**

EARNINGS PRESENTATION | Q1-FY20



OVERVIEW

- Ion Exchange (India) Ltd (Ion Exchange), formed in 1964, is a pioneer in water, waste water treatment & environment solutions and caters to various industries, homes & communities.
- Headquartered in Mumbai, the company has six manufacturing & assembly facilities across India, and one each in Bangladesh and UAE. It also has presence across other key geographies.
- Installation: 1 lakh globally; 500+ in core sectors.

FY19: Operating Income*
INR 11,623 Mn

BUSINESS & REVENUE (%) MIX - CONSOLIDATED

- **Engineering (56%)** – Provides comprehensive and integrated services and solutions in water & waste water treatment including Sea Water desalination, Recycle and Zero liquid discharge plants to diverse industries.
- **Chemicals (35%)** - Provides a comprehensive range of resins, speciality chemicals and customized chemical treatment programmes for water, non-water and specialty applications.
- **Consumer Products (9%)** – Caters to individuals, hotels, spas, educational institutions, hospitals, laboratories, railway and defence establishments providing safe drinking water and a clean environment.

FY19: Operating EBITDA*
INR 1,066 Mn

MARQUEE CLIENTS

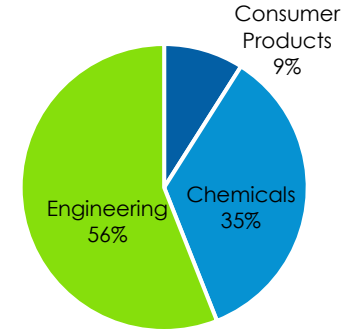
- **Industrial** – NTPC, NPC, Reliance, IOCL, JSW, CPCL, L&T, Essar group, IRCTC, BHEL, Tata Group.
- **Institutional** – Leela, Military Engineering Services, Taj Hotels, Holiday Inn, Hyatt Regency, Oberoi Hotels, Apollo Hospitals, Escorts Heart Institute, DLF, Puravankar.
- **International** – Cargill, Technip France, Unilever Group, Jurong, Thyssenkrupp (Uhde), Jacobs, Kawasaki, Mitsubishi, PDO Oman, Emirates Steel, IKPP Indonesia.

FY19: PAT*
INR 659 Mn

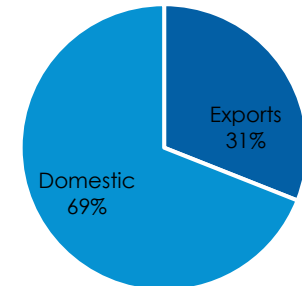
Company Overview

- Ion Exchange was originally formed as a subsidiary of Permutit, UK in 1964. It became a wholly owned Indian company in 1985. The company is currently in its 55th Year of operations.
- The company has expanded its footprints globally and possesses a diversified product range. It offers one stop water and non-water treatment solutions catering to diverse segments like infrastructure, industry, institutions, municipal, homes and communities, urban and rural.
- The company offers a wide range of solutions across the water cycle from pre-treatment to process water treatment, waste water treatment, recycle, zero liquid discharge, sewage treatment, packaged drinking water, sea water desalination etc.
- The company is also engaged in manufacturing ion exchange resins, speciality chemicals for water and waste water treatment as well as non-water applications.
- It has two facilities for in-house R&D and two applications and testing centers.
- The company has over 50 patents to their credit and 100+ products commercialized.
- The company has a global presence apart from presence in major cities in India with sales & service centers and dealer network of more than 100.
- The company exports to Africa, Japan, Middle East, Russia, South East Asia, Europe, UK, USA, Canada and neighbouring countries.

REVENUE BREAK UP FY19*



GEOGRAPHICAL BREAKUP FY19*



*Consolidated

❑ Q1-FY20 Performance (Standalone):

- Operating Income: INR 3,042 Mn
- Operating EBITDA: INR 218 Mn
- Operating EBITDA Margins: 7.17%
- Net Profit: INR 154 Mn
- PAT Margins: 5.06%
- Diluted EPS: INR 12.83 per share

❑ Q1-FY20 Performance (Consolidated):

- Operating Income: INR 3,211 Mn
- Operating EBITDA: INR 232 Mn
- Operating EBITDA Margins: 7.23%
- Net Profit: INR 133 Mn
- PAT Margins: 4.14%
- Diluted EPS: INR 11.52 per share

ENGINEERING

- Increase in sales and profitability on the back of healthy order backlog at the beginning of the year.
- Sri Lanka order execution is proceeding satisfactorily. Revenue recognition in the quarter is based on work progress.

CHEMICALS

- Sustained demand in certain segments has resulted in improvement in sales and profitability.
- The Company continues with the capacity expansion in Chemical segment to meet the increasing market demand.

CONSUMER PRODUCTS

- Higher volumes have resulted in growth on year on year basis in this quarter.
- The Company expects improved financial performance in the ensuing quarters with increase in volumes.

Q1-FY20 – STANDALONE INCOME STATEMENT (IND AS)

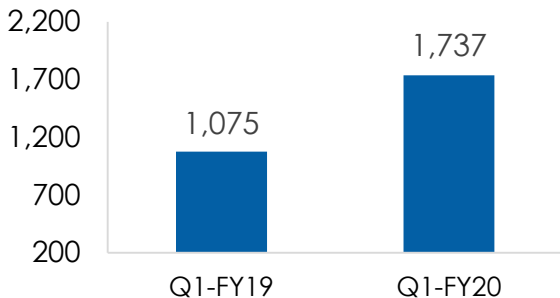
INCOME STATEMENT (INR MN)	Q1-FY20	Q1-FY19	Y-o-Y	Q4-FY19	Q-o-Q
Operating Income	3,042	2,056	48.0%	4,181	(27.2)%
Expenses	2,824	1,960	44.1%	3,677	(23.2)%
Operating EBITDA	218	96	127.1%	504	(56.7)%
Operating EBITDA Margins (%)	7.17%	4.67%	250 Bps	12.05%	(488) Bps
Depreciation	52	44	18.2%	47	10.6%
Finance Cost	32	42	(23.8)%	42	(23.8)%
Other Income	104	160	(35.0)%	48	116.7%
PBT	238	170	40.0%	463	(48.6)%
Tax	84	61	37.7%	155	(45.8)%
Profit After Tax	154	109	41.3%	308	(50.0)%
PAT Margins (%)	5.06%	5.30%	(24) Bps	7.37%	(231) Bps
Other Comprehensive Income	(1)	(1)	NA	(4)	NA
Total Comprehensive Income	153	108	41.7%	304	(49.7)%
Diluted EPS (INR) (Not annualised)	12.83	9.08	41.3%	25.68	(50.0)%

Note: Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts.
No. of Shares- 26,62,914

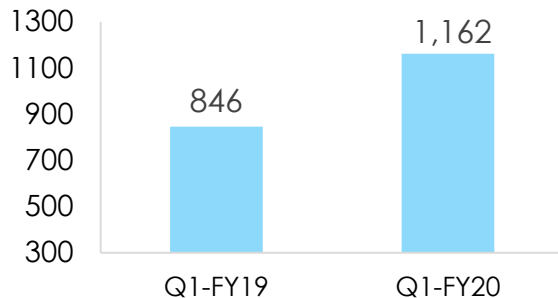
SEGMENTAL BREAKUP - QUARTERLY STANDALONE

ENGINEERING (INR MN)

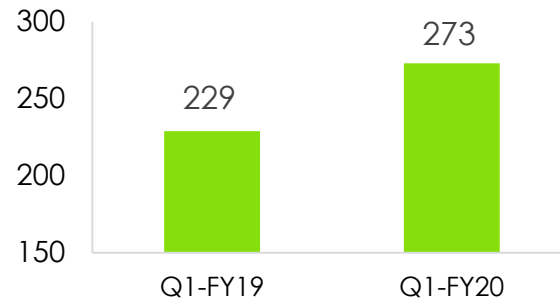
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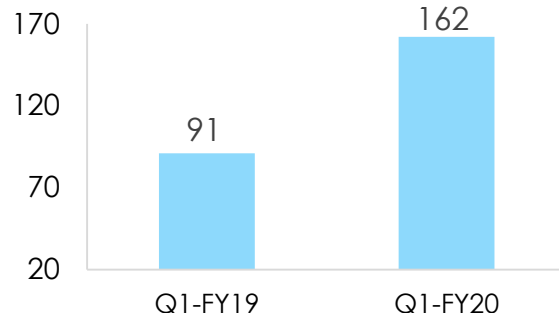
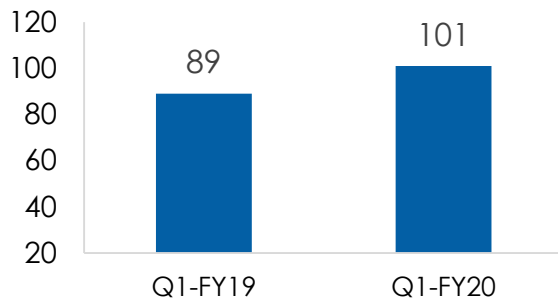
CHEMICALS (INR MN)



CONSUMER PRODUCTS (INR MN)



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FY19 - STANDALONE INCOME STATEMENT (IND AS)

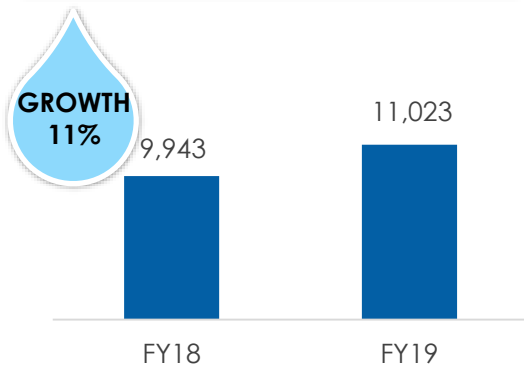
INCOME STATEMENT (INR MN)	FY18	FY19
Operating Income	9,943	11,023
Expenses	9,239	10,110
Operating EBITDA	704	913
Operating EBITDA Margins (%)	7.08%	8.28%
Depreciation	119	181
Finance Cost	157	162
Other Income	300	441
PBT	728	1,011
Tax	250	345
Profit After Tax	478	666
PAT Margins (%)	4.80%	6.04%
Other Comprehensive Income	(2)	(5)
Total Comprehensive Income	476	661
Diluted EPS (INR)	39.78	55.47

*Note: Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts.
No. of Shares- 26,62,914*

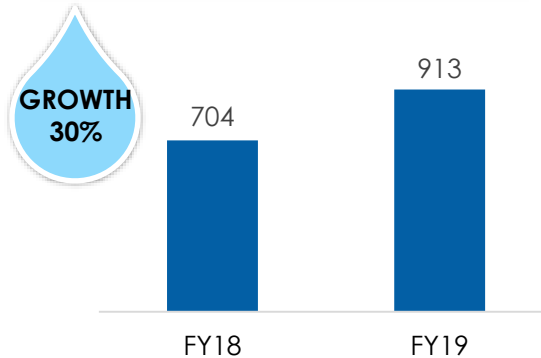
Standalone Balance Sheet (As per IndAS)

PARTICULARS (INR MN)	FY18	FY19	PARTICULARS (INR MN)	FY18	FY19
EQUITIES & LIABILITIES			ASSETS		
Equity			Non-Current Assets		
(A) Equity Share Capital	147	147	(A) Property, Plant and Equipment	1,347	1,425
(B) Other Equity	2,987	3,597	(B) Capital Work-in-progress	66	123
Total Equity	3,134	3,744	(C) Other Intangible Assets	13	14
			(D) Financial Assets		
			(i) Investments	575	607
Non-Current Liabilities			(ii) Trade Receivables	36	36
(A) Financial Liabilities			(iii) Loans	399	403
(i) Borrowings	331	261	(E) Deferred Tax Assets (Net)	-	-
(ii) Other financial Liabilities	89	81	(F) Other Non-Current Assets	56	63
(B) Provisions	101	118	(G) Non Current Tax Assets	3	-
(C) Deferred Tax Liabilities (Net)	19	11	Total Non – Current Assets	2,495	2,671
(D) Other Non-Current Liabilities	-	-	Current Assets		
(E) Liabilities for Non-Current Tax (Net)	17	15	(A) Inventories	771	1,092
Total Non – Current Liabilities	557	486	(B) Financial Assets		
Current Liabilities			(i) Investments	4	4
(A) Financial Liabilities			(ii) Trade Receivables	4,297	4,276
(i) Borrowings	886	434	(iii) Cash & Cash Equivalents	606	360
(ii) Trade Payables	3,406	3,948	(iv) Bank Balances	1,902	2,394
(iii) Other Financial Liabilities	358	380	(v) Loans	554	509
(B) Other Current Liabilities	2,587	2,979	(vi) Other Financial Assets	76	184
(C) Provisions	39	38	(C) Other current assets	376	660
(D) Liabilities for current tax (Net)	114	141	Total Current Assets	8,586	9,479
Total Current Liabilities	7,390	7,920	Total Current Assets	8,586	9,479
GRAND TOTAL - EQUITIES & LIABILITIES	11,081	12,150	GRAND TOTAL – ASSETS	11,081	12,150

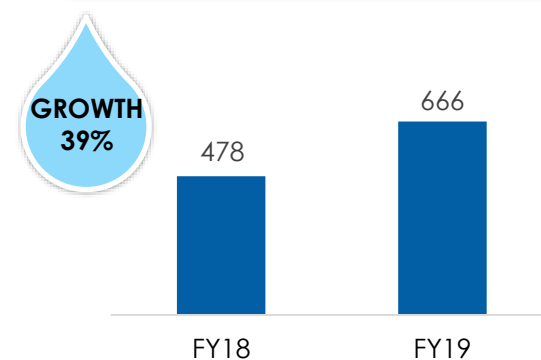
REVENUES (INR MN)



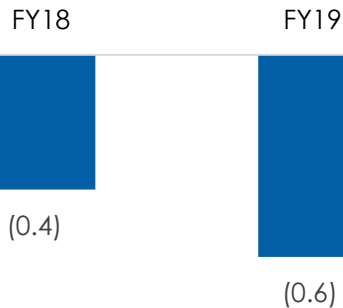
OPERATING EBITDA (INR MN)



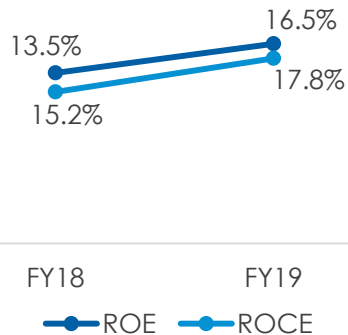
PAT (INR MN)



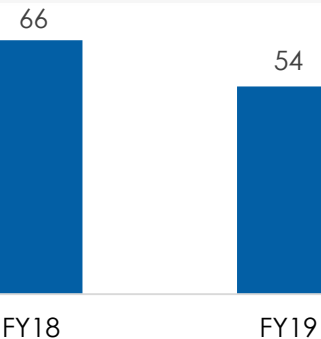
NET DEBT/EQUITY



ROE and ROCE



WORKING CAPITAL DAYS



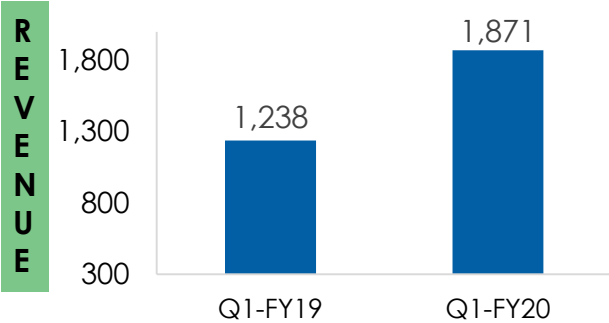
Q1-FY20 – CONSOLIDATED INCOME STATEMENT (IND AS)

INCOME STATEMENT (INR MN)	Q1-FY20	Q1-FY19	Y-o-Y	Q4-FY19	Q-o-Q
Operating Income	3,211	2,284	40.6%	4,318	(25.6)%
Expenses	2,979	2,165	37.6%	3,719	(19.9)%
Operating EBITDA	232	119	95.0%	599	(61.3)%
Operating EBITDA Margins (%)	7.23%	5.21%	202 Bps	13.87%	(664) Bps
Depreciation	55	47	17.0%	51	7.8%
Finance Cost	39	50	(22.0)%	49	(20.4)%
Other Income	77	147	(47.6)%	20	NA
PBT	215	169	27.2%	519	(58.6)%
Share of Profit of equity accounted Investee	5	1	NA	2	NA
Tax	87	64	35.9%	160	(45.7)%
Profit After Tax	133	106	25.5%	361	(63.2)%
PAT Margins (%)	4.14%	4.64%	(50) Bps	8.36%	(422) Bps
Other Comprehensive Income	(4)	7	NA	(4)	NA
Total Comprehensive Income	129	113	14.2%	357	(63.9)%
EPS Diluted (INR)	11.52	9.18	25.5%	31.17	(63.0)%

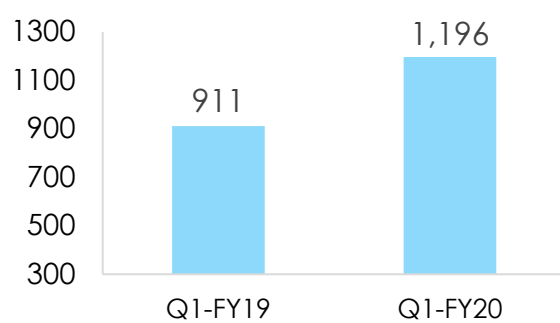
Note: Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts (No. of Shares-26,62,914) and shares held by Subsidiary companies (No. of Shares- 4,37,874)

SEGMENTAL BREAKUP-QUARTERLY CONSOLIDATED

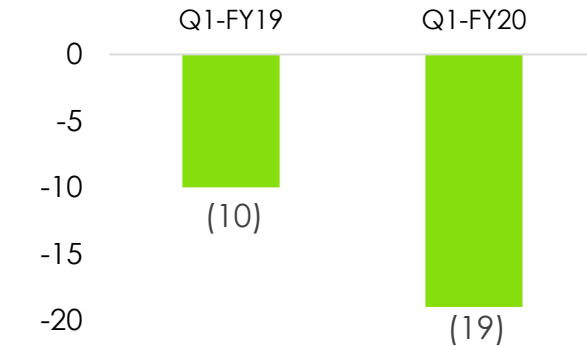
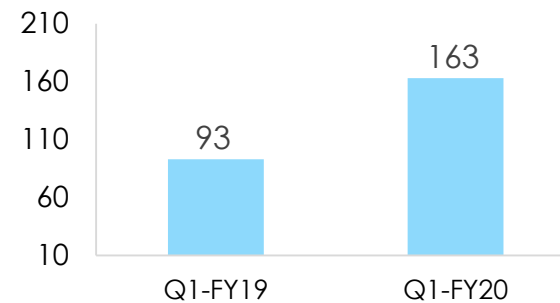
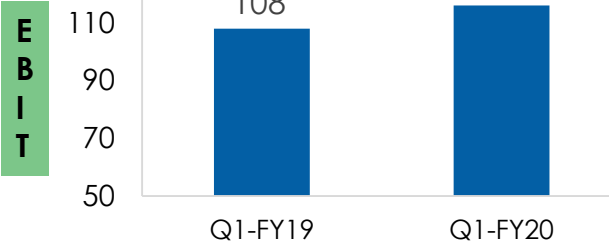
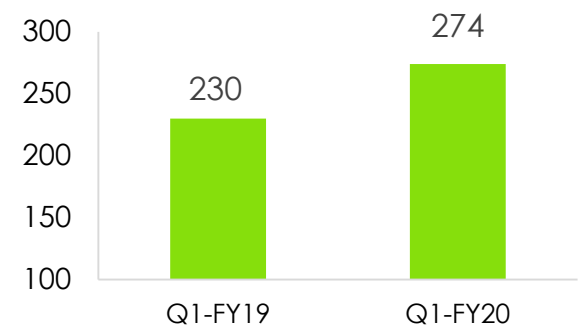
ENGINEERING (INR MN)



CHEMICALS (INR MN)



CONSUMER PRODUCTS (INR MN)



FY19 - CONSOLIDATED INCOME STATEMENT (As per IndAS)

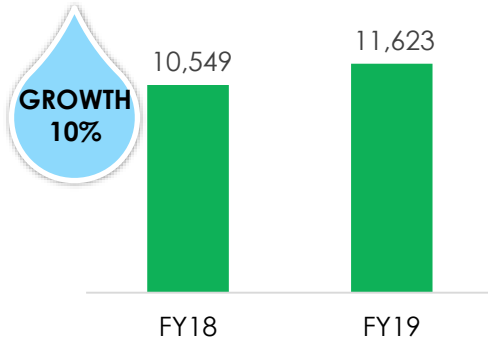
INCOME STATEMENT (INR MN)	FY18	FY19
Operating Income	10,549	11,623
Expenses	9,779	10,557
Operating EBITDA	770	1,066
Operating EBITDA Margins (%)	7.30%	9.17%
Depreciation	131	196
Finance Cost	187	190
Other Income	211	333
PBT	663	1,013
Share of Profit of equity accounted Investee	(1)	5
Tax	263	359
Profit After Tax	399	659
PAT Margins (%)	3.78%	5.67%
Other Comprehensive Income	(14)	1
Total Comprehensive Income	385	660
EPS Diluted (INR)	34.46	56.99

Note: Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts (No. of Shares-26,62,914) and shares held by Subsidiary companies (No. of Shares- 4,37,874)

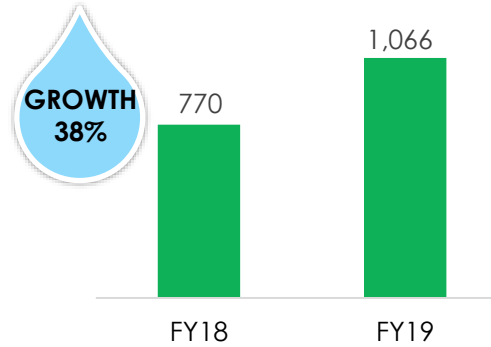
Consolidated Balance Sheet (As per IndAS)

PARTICULARS (INR MN)	FY18	FY19	PARTICULARS (INR MN)	FY18	FY19
EQUITIES & LIABILITIES			ASSETS		
Equity			Non-Current Assets		
(A) Equity Share Capital	142	142	(A) Property, Plant and Equipment	1,436	1,507
(B) Other Equity	1,859	2,458	(B) Capital Work-in-progress	66	123
Non Controlling Interest	28	22	(C) Other Intangible Assets	13	14
Total Equity	2,029	2,622	(D) Goodwill	-	86
			(E) Investment accounted using Equity Method	30	34
Non-Current Liabilities			(F) Financial Assets		
(A) Financial Liabilities			(i) Investments	7	7
(i) Borrowings	334	261	(ii) Trade Receivables	138	142
(ii) Other Financial Liabilities	89	81	(iii) Loans	99	100
(B) Provisions	113	133	(iv) Other Financial Assets	75	70
(C) Deferred Tax Liabilities (Net)	20	11	(G) Deferred Tax Assets (Net)	12	10
(D) Other Non-Current Liabilities	6	6	(H) Other Non-Current Assets	152	167
(E) Liabilities for non-current tax (Net)	17	16	(I) Non-Current Tax Assets	4	5
Total Non – Current Liabilities	579	508	Total Non – Current Assets	2,032	2,265
			Current Assets		
Current Liabilities			(A) Inventories	1,012	1,298
(A) Financial Liabilities			(B) Financial Assets		
(i) Borrowings	1,125	667	(i) Investments	4	4
(ii) Trade Payables	3,639	4,151	(ii) Trade Receivables	4,371	4,242
(iii) Other Financial Liabilities	419	428	(iii) Cash & Cash Equivalents	672	452
(B) Other Current Liabilities	2,696	3,078	(iv) Bank Balances	1,959	2,452
(C) Provisions	45	45	(v) Loans	169	91
(D) Liabilities for current tax (Net)	120	154	(vi) Other Financial Assets	88	197
Total Current Liabilities	8,044	8,523	(C) Current Tax Assets (Net)	8	13
			(D) Other Current Assets	337	639
			Total Current Assets	8,620	9,388
GRAND TOTAL - EQUITIES & LIABILITIES	10,652	11,653	GRAND TOTAL – ASSETS	10,652	11,653

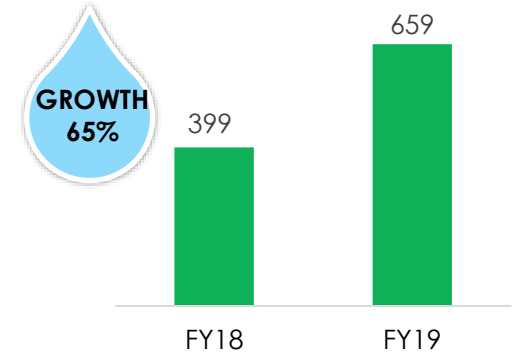
REVENUES (INR MN)



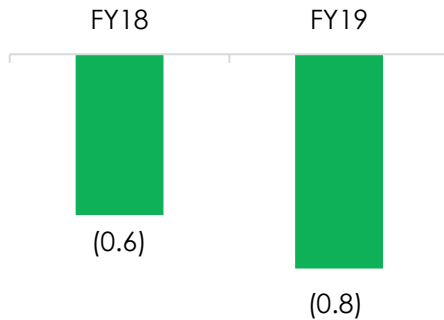
OPERATING EBITDA (INR MN)



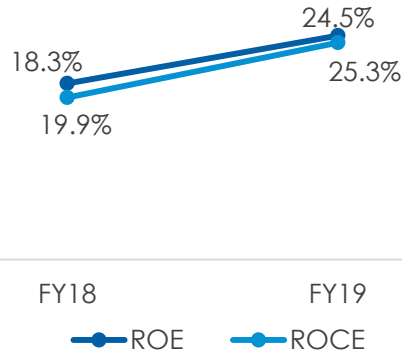
PAT (INR MN)



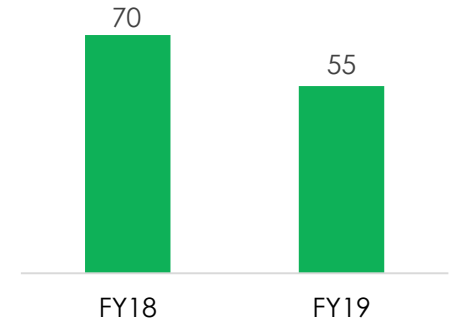
NET DEBT/ EQUITY



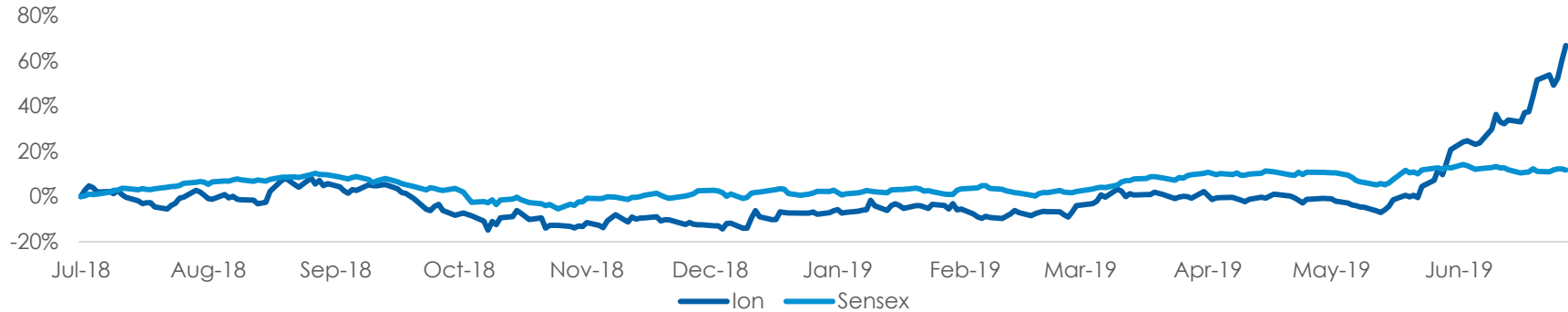
ROE and ROCE



WORKING CAPITAL DAYS



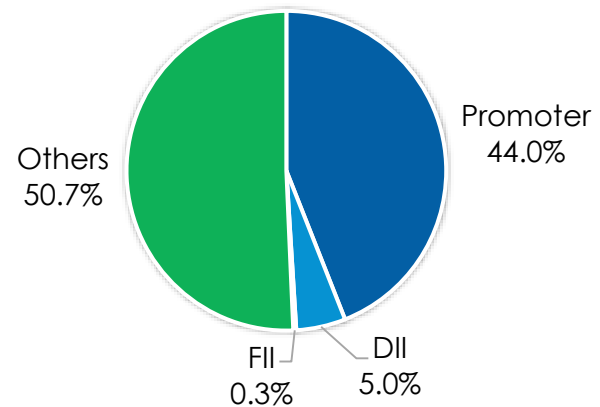
1 YEAR SHARE PRICE MOVEMENT (UPTO 30th JUNE, 2019)



PRICE DATA (AS ON 30th JUNE, 2019)

Face value (INR)	10.0
Market Price (INR)	669.0
52 Week H/L (INR)	673.6/335.0
Market Cap (INR Mn)	9,811.3
Equity Shares Outstanding (Mn)	14.7
1 Year Avg. trading volume ('000)	9.5

SHAREHOLDING PATTERN (AS ON 30th JUNE, 2019)



Ion Exchange (India) Limited

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For further details please contact our Investor Relations Representatives:

VALOREM ADVISORS

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Email: ion@valoremadvisors.com



ION EXCHANGE
Refreshing the Planet

THANK YOU