



Executive Summary

FY20: Operating
Income*
INR 14,798
Mn

FY20: Operating
EBITDA*
INR 1,346
Mn

FY20: PAT*
INR 940 Mn

*Consolidated

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.

BUSINESS & FY20 REVENUE MIX (%)

- **Engineering (61%)** – 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 (31%)** - Provides a comprehensive range of resins, speciality chemicals and customized chemical treatment programmes for water, non-water and speciality applications.
- **Consumer Products (8%)** – Caters to individuals, hotels, spas, educational institutions, hospitals, laboratories, railway and defence establishments providing safe drinking water and a clean environment.

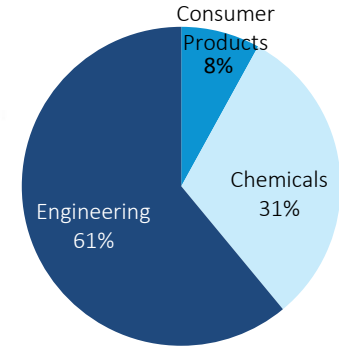
MARQUEE CLIENTS

- **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.

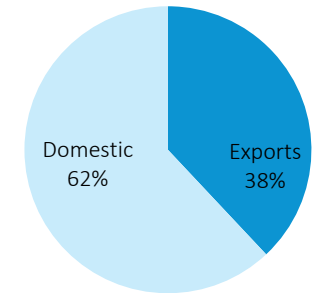
Company Overview

- 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 56th 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 FY20*



GEOGRAPHICAL BREAKUP FY20*



*Consolidated

Q1- FY21 FINANCIAL HIGHLIGHTS

❑ Q1-FY21 Performance (Standalone):

- Operating Income: INR 2,597 Mn
- Operating EBITDA: INR 306 Mn
- Operating EBITDA Margins: 11.78%
- Net Profit: INR 213 Mn
- PAT Margins: 8.20%
- Diluted EPS: INR 17.30 per share

❑ Q1-FY21 Performance (Consolidated):

- Operating Income: INR 2,653 Mn
- Operating EBITDA: INR 313 Mn
- Operating EBITDA Margins: 11.80%
- Net Profit: INR 175 Mn
- PAT Margins: 6.60%
- Diluted EPS: INR 14.74 per share

Q1 - FY21 OPERATIONAL HIGHLIGHTS

Business Operations

- The operations in the first quarter were affected due to the COVID-19 pandemic and the resultant lockdown in several geographies including India for major part of the quarter.
- Currently, all our manufacturing facilities and offices at most of the locations are functional to a substantial extent.
- Overheads are lower due to reduced level of operations coupled with cost control measures.

ENGINEERING

- Revenue recognition for the Sri Lanka project in the quarter was affected due to the COVID-19 lockdown impact. Post receipt of necessary permissions from the Sri Lanka government, we have resumed our supplies and civil works.
- The order intake for the quarter continued to be muted due to the general economic slowdown and delay in order finalisations caused by the lockdown.

CHEMICALS

- Sales and dispatches were affected due to operational and logistic challenges caused by COVID-19 induced lockdown.
- Margins improved due to operational efficiencies, favourable price movements and benefits on account of changed product mix.

CONSUMER PRODUCTS

- Adverse impact of the COVID-19 lockdown significantly affected the volumes.

Q1-FY21 STANDALONE INCOME STATEMENT (IND-AS)

INCOME STATEMENT (INR MN)	Q1-FY21	Q1-FY20	Y-o-Y	Q4-FY20	Q-o-Q
Operating Income	2,597	3,042	(14.6)%	3,279	(20.8)%
Expenses	2,291	2,824	(18.9)%	2,952	(22.4)%
Operating EBITDA	306	218	40.4%	327	(6.4)%
Operating EBITDA Margins (%)	11.78%	7.17%	461 Bps	9.97%	181 Bps
Depreciation	64	52	23.1%	61	4.9%
Finance Cost	32	32	NA	32	NA
Other Income	80	104	(23.1)%	155	(48.4)%
PBT	290	238	21.8%	389	(25.4)%
Tax	77	84	(8.3)%	100	(23.0)%
Profit After Tax	213	154	38.3%	289	(26.3)%
PAT Margins (%)	8.20%	5.06%	314 Bps	8.81%	(61) Bps
Other Comprehensive Income	(3)	(1)	NA	(5)	NA
Total Comprehensive Income	210	153	37.3%	284	(26.1)%
Diluted EPS (INR)	17.30 [#]	12.83 [*]	34.8%	23.49 [#]	(26.4)%

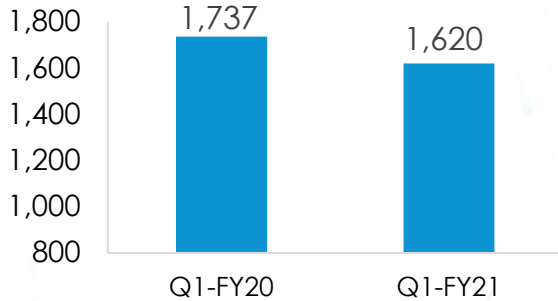
**Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts.
No. of Shares- 26,62,914*

*#Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts.
No. of Shares- 23,68,939*

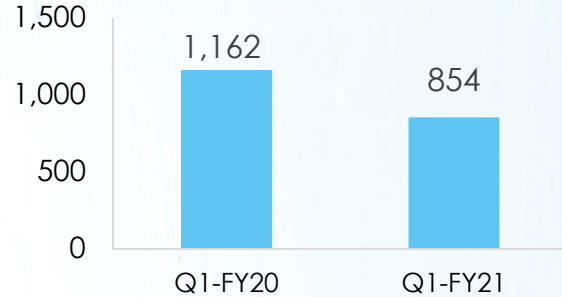
SEGMENTAL BREAKUP- QUARTERLY STANDALONE

ENGINEERING (INR MN)

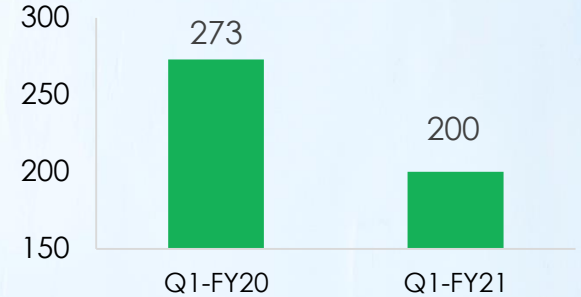
R
E
V
E
N
U
E



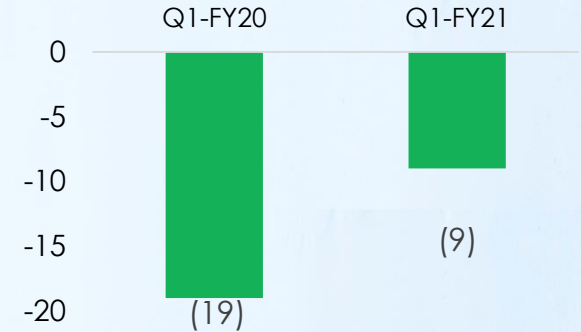
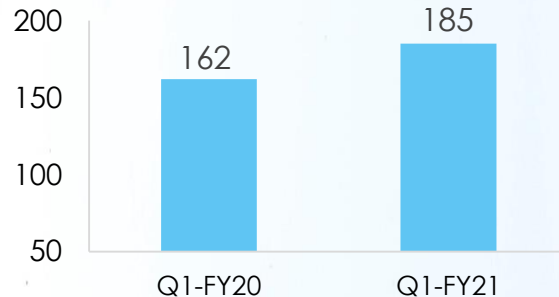
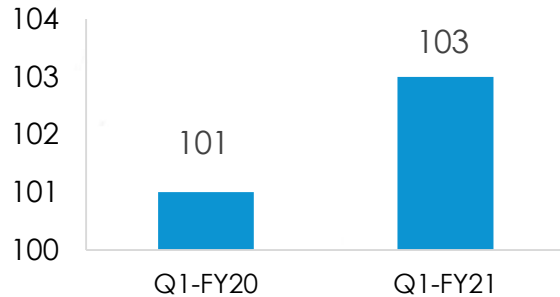
CHEMICALS (INR MN)



CONSUMER PRODUCTS (INR MN)



E
B
I
T



Q1-FY21 CONSOLIDATED INCOME STATEMENT (IND-AS)

INCOME STATEMENT (INR MN)	Q1-FY21	Q1-FY20	Y-o-Y	Q4-FY20	Q-o-Q
Operating Income	2,653	3,211	(17.4)%	3,511	(24.4)%
Expenses	2,340	2,979	(21.5)%	3,118	(25.0)%
Operating EBITDA	313	232	34.9%	393	(20.4)%
Operating EBITDA Margins (%)	11.80%	7.23%	457 Bps	11.19%	61 Bps
Depreciation	69	55	25.5%	65	6.2%
Finance Cost	42	39	7.7%	40	5.0%
Other Income	55	77	(28.6)%	109	(49.5)%
PBT	257	215	19.5%	397	(35.3)%
Share of Profit of equity accounted Investee	(1)	5	NA	(4)	NA
Tax	81	87	(6.9)%	106	(23.6)%
Profit After Tax	175	133	31.6%	287	(39.0)%
PAT Margins (%)	6.60%	4.14%	246 Bps	8.17%	(157) Bps
Other Comprehensive Income	(8)	(4)	NA	13	NA
Total Comprehensive Income	167	129	29.5%	300	(44.3)%
Diluted EPS (INR)	14.74 [#]	11.52 [*]	28.0%	24.22 [#]	(39.1)%

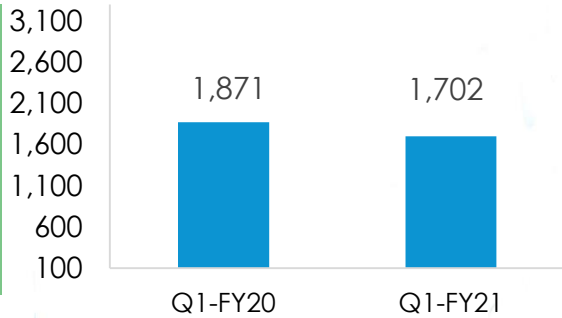
**Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts (No. of Shares-26,62,914) and shares held by Subsidiary companies (No. of Shares- 4,37,874)*

#Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts (No. of Shares-23,68,939) and shares held by Subsidiary companies (No. of Shares- 4,37,874)

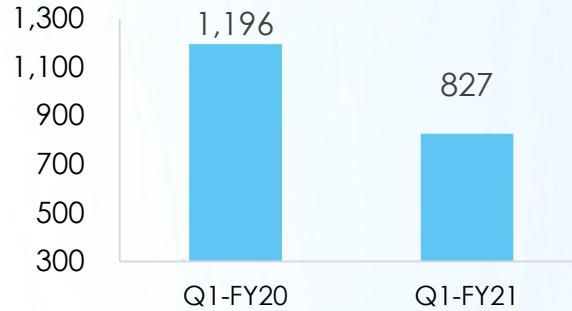
SEGMENTAL BREAKUP-QUARTERLY CONSOLIDATED

ENGINEERING (INR MN)

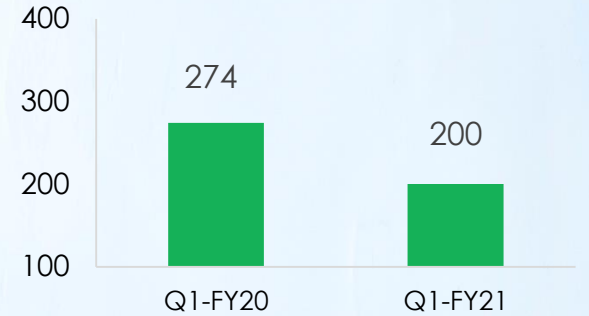
R
E
V
E
N
U
E



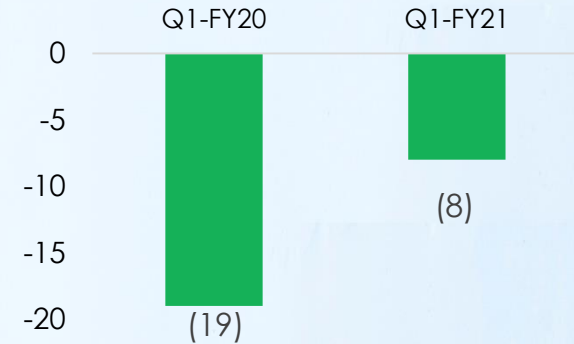
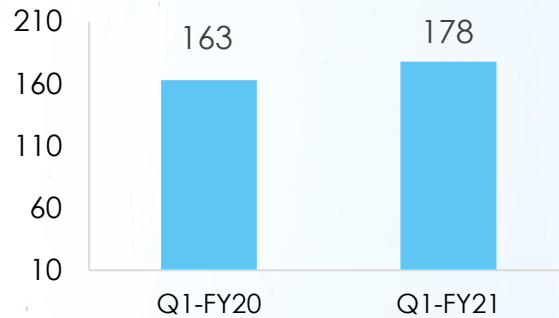
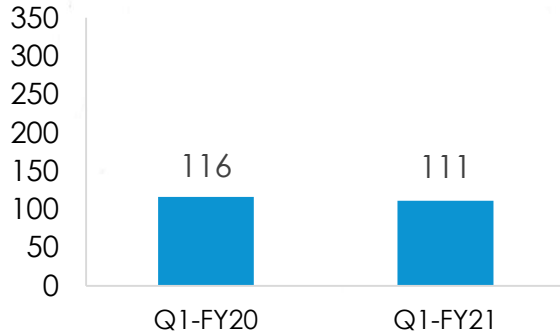
CHEMICALS (INR MN)



CONSUMER PRODUCTS (INR MN)



E
B
I
T





HISTORICAL FINANCIAL OVERVIEW

STANDALONE INCOME STATEMENT (IND-AS)

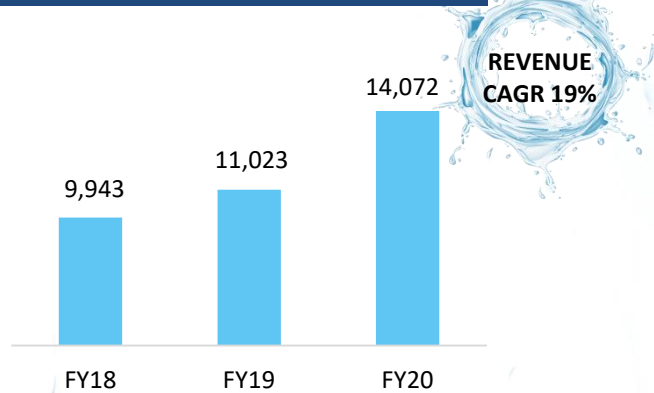
INCOME STATEMENT (INR MN)	FY18	FY19	FY20
Operating Income	9,943	11,023	14,072
Expenses	9,239	10,110	12,862
Operating EBITDA	704	913	1,210
<i>Operating EBITDA Margins (%)</i>	<i>7.08%</i>	<i>8.28%</i>	<i>8.60%</i>
Depreciation	119	181	221
Finance Cost	157	162	132
Other Income	300	441	485
PBT	728	1,011	1,342
Tax	250	345	351
Profit After Tax	478	666	991
<i>PAT Margins (%)</i>	<i>4.80%</i>	<i>6.04%</i>	<i>7.04%</i>
Other Comprehensive Income	(2)	(5)	(9)
Total Comprehensive Income	476	661	982
Diluted EPS (INR)	39.78*	55.47*	81.85 [#]

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

[#]Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts.
No. of Shares- 23,68,939

FINANCIALS- STANDALONE

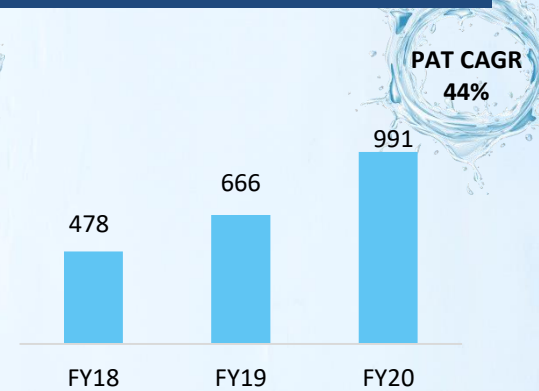
REVENUES (INR MN)



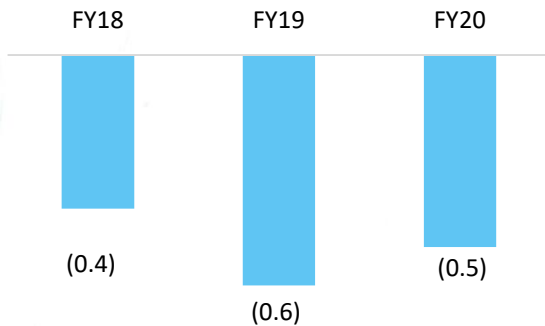
OPERATING EBITDA (INR MN)



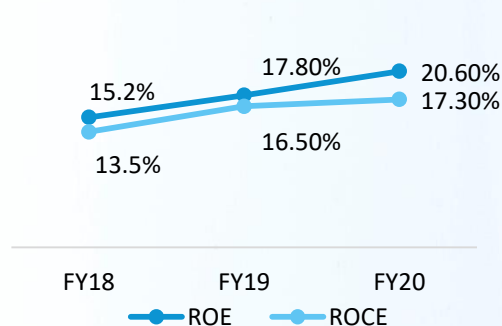
PAT (INR MN)



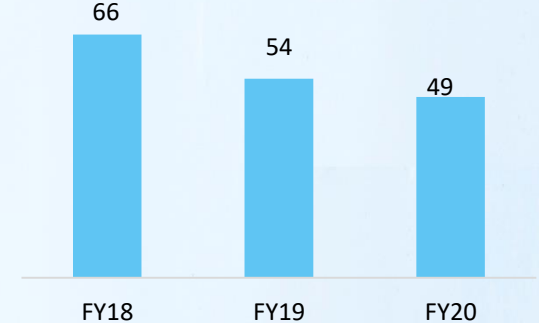
NET DEBT/EQUITY



ROE and ROCE



WORKING CAPITAL DAYS



STANDALONE BALANCE SHEET (As Per IND-AS)

PARTICULARS (INR MN)	FY20	FY19	PARTICULARS (INR MN)	FY20	FY19
EQUITIES & LIABILITIES			ASSETS		
Equity			Non-Current Assets		
(A) Equity Share Capital	147	147	(A) Property, Plant and Equipment	1,623	1,425
(B) Other Equity	4,668	3,597	(B) Capital Work-in-progress	179	123
Total Equity	4,815	3,744	(C) Right-of-Use Assets	67	-
Non-Current Liabilities			(D) Other Intangible Assets	16	14
(A) Financial Liabilities			(E) Financial Assets		
(i) Borrowings	271	261	(i) Investments	620	607
(ii) Lease Liabilities	17	-	(ii) Trade Receivables	29	36
(iii) Other financial Liabilities	81	81	(iii) Loans	420	403
(B) Provisions	140	118	(F) Other Non-Current Assets	53	63
(C) Deferred Tax Liabilities (Net)	-	11	(G) Deferred Tax Assets	6	-
(D) Liabilities for Non-Current Tax (Net)	19	15	Total Non – Current Assets	3,013	2,671
Total Non – Current Liabilities	528	486	Current Assets		
Current Liabilities			(A) Inventories	1,180	1,092
(A) Financial Liabilities			(B) Financial Assets		
(i) Borrowings	640	434	(i) Investments	1	4
(ii) Lease Liabilities	15	-	(ii) Trade Receivables	5,137	4,276
(iii) Trade Payables	4,570	3,948	(iii) Cash & Cash Equivalents	846	360
(iv) Other Financial Liabilities	475	380	(iv) Bank Balances	2,691	2,394
(B) Other Current Liabilities	3,118	2,979	(v) Loans	472	509
(C) Provisions	49	38	(vi) Other Financial Assets	224	184
(D) Liabilities for current tax (Net)	157	141	(C) Other current assets	803	660
Total Current Liabilities	9,024	7,920	Total Current Assets	11,354	9,479
GRAND TOTAL - EQUITIES & LIABILITIES	14,367	12,150	GRAND TOTAL – ASSETS	14,367	12,150

CONSOLIDATED INCOME STATEMENT (As per IND-AS)

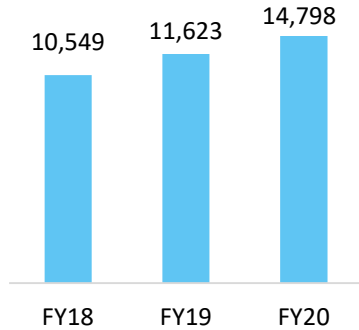
INCOME STATEMENT (INR MN)	FY18	FY19	FY20
Operating Income	10,549	11,623	14,798
Expenses	9,779	10,557	13,452
Operating EBITDA	770	1,066	1,346
Operating EBITDA Margins (%)	7.30%	9.17%	9.10%
Depreciation	131	196	237
Finance Cost	187	190	160
Other Income	211	333	354
PBT	663	1,013	1,303
Share of Profit of equity accounted Investee	(1)	5	4
Tax	263	359	367
Profit After Tax	399	659	940
PAT Margins (%)	3.78%	5.67%	6.35%
Other Comprehensive Income	(14)	1	2
Total Comprehensive Income	385	660	942
EPS Diluted (INR)	34.46*	56.99*	80.55 [#]

*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)

[#]Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts (No. of Shares-23,68,939) and shares held by Subsidiary companies (No. of Shares- 4,37,874)

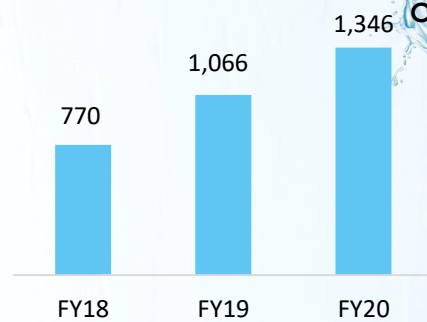
FINANCIALS- CONSOLIDATED

REVENUES (INR MN)



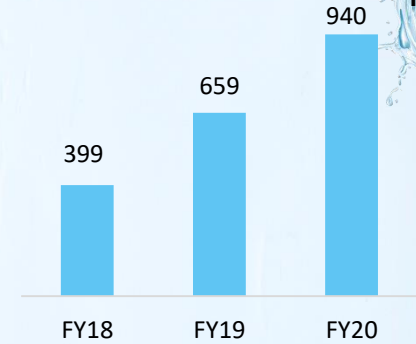
REVENUE
CAGR 18%

OPERATING EBITDA (INR MN)



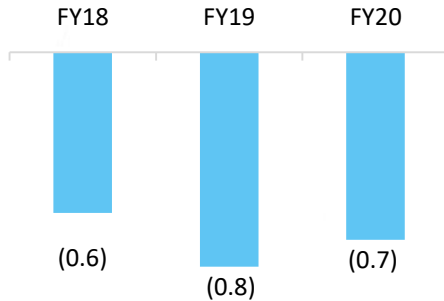
EBITDA
CAGR 32%

PAT (INR MN)

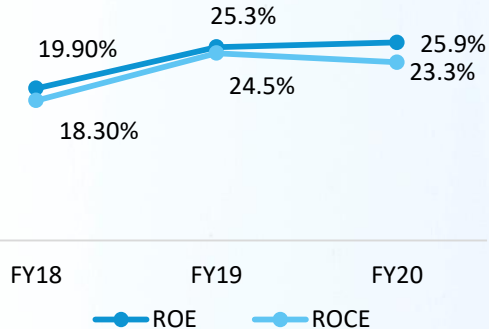


PAT CAGR
53%

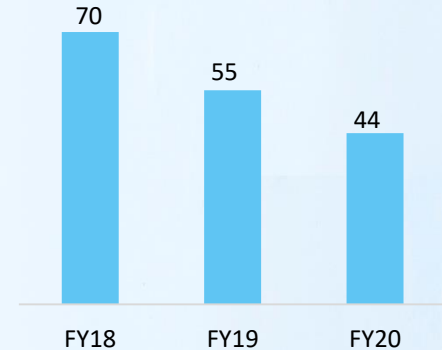
NET DEBT/ EQUITY



ROE and ROCE



WORKING CAPITAL DAYS

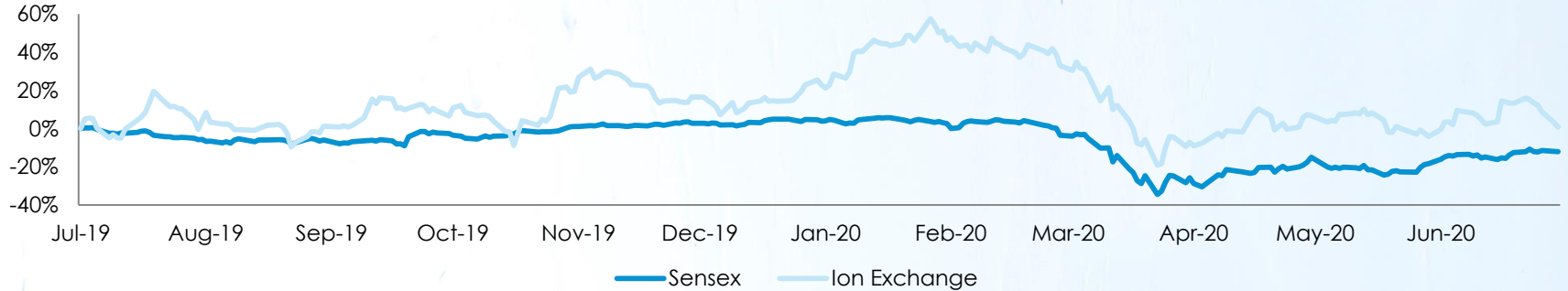


CONSOLIDATED BALANCE SHEET (IND-AS)

PARTICULARS (INR MN)	FY20	FY19	PARTICULARS (INR MN)	FY20	FY19
EQUITIES & LIABILITIES			ASSETS		
Equity			Non-Current Assets		
(A) Equity Share Capital	142	142	(A) Property, Plant and Equipment	1,697	1,507
(B) Other Equity	3,489	2,458	(B) Capital Work-in-progress	179	123
Equity attributable to owners	3,631	2,600	(C) Right-of-Use Assets	77	-
Non Controlling Interest	20	22	(D) Other Intangible Assets	16	14
Total Equity	3,651	2,622	(E) Goodwill	86	86
			(F) Investment accounted using Equity Method	37	34
Non-Current Liabilities			(G) Financial Assets		
(A) Financial Liabilities			(i) Investments	7	7
(i) Borrowings	271	261	(ii) Trade Receivables	62	142
(ii) Lease liabilities	22	-	(iii) Loans	118	100
(iii) Other Financial Liabilities	81	81	(iv) Other Financial Assets	65	70
(B) Provisions	157	133	(H) Deferred Tax Assets (Net)	15	10
(C) Deferred Tax Liabilities (Net)	5	11	(I) Other Non-Current Assets	165	167
(D) Other Non-Current Liabilities	5	6	(J) Non-Current Tax Assets	5	5
(E) Liabilities for non-current tax (Net)	19	16	Total Non – Current Assets	2529	2,265
Total Non – Current Liabilities	560	508	Current Assets		
			(A) Inventories	1,345	1,298
Current Liabilities			(B) Financial Assets		
(A) Financial Liabilities			(i) Investments	1	4
(i) Borrowings	858	667	(ii) Trade Receivables	5,019	4,242
(ii) Lease liabilities	17	-	(iii) Cash & Cash Equivalents	1,015	452
(iii) Trade Payables	4,800	4,151	(iv) Bank Balances	2,716	2,452
(iv) Other Financial Liabilities	518	428	(v) Loans	173	91
(B) Other Current Liabilities	3,190	3,078	(vi) Other Financial Assets	237	197
(C) Provisions	57	45	(C) Current Tax Assets (Net)	15	13
(D) Liabilities for current tax (Net)	171	154	(D) Other Current Assets	772	639
Total Current Liabilities	9,611	8,523	Total Current Assets	11,293	9,388
GRAND TOTAL - EQUITIES & LIABILITIES	13,822	11,653	GRAND TOTAL – ASSETS	13,822	11,653

Market Data (Bloomberg – ION IN, Reuters – IONX.BO)

1 YEAR SHARE PRICE MOVEMENT (UPTO 30th JUNE, 2020)



PRICE DATA (AS ON 30th JUNE, 2020)

Face value (INR) 10.0

Market Price (INR) 653.3

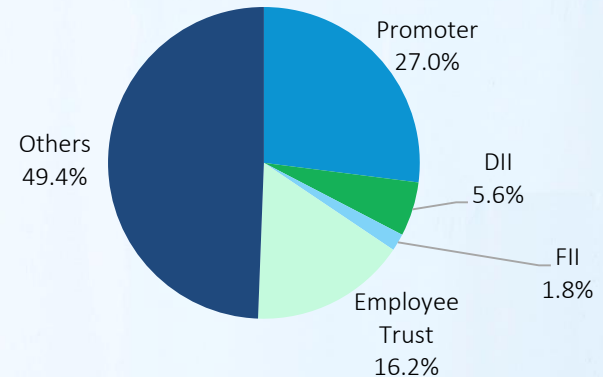
52 Week H/L (INR) 1,071.0/502.0

Market Cap (INR Mn) 9,581.0

Equity Shares Outstanding (Mn) 14.7

1 Year Avg. trading volume ('000) 26.3

SHAREHOLDING PATTERN (AS ON 30th JUNE, 2020)



Disclaimer

Ion Exchange (India) Limited

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management of Ion Exchange (India) Limited ("Company" or "IONEX"), which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.

This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.



For further details please contact our Investor Relations Representatives:

VALOREM ADVISORS

Mr. Anuj Sonpal

Tel: +91-22-49039500

Email: ion@valoremadvisors.com

A high-speed photograph of a blue liquid splash against a white background. The splash is captured in mid-motion, with a leading edge on the left and a turbulent, bubbly wake extending to the right. The water is a vibrant, clear blue, and the background is a clean, bright white. The overall composition is clean and energetic.

THANK YOU