

May 31, 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 Obligations 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 year ended March 31, 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 | Q4-FY19 / FY19



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: Total Income*
INR 11,956 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: EBITDA*
INR 1,399 Mn

MARQUEE CLIENTS

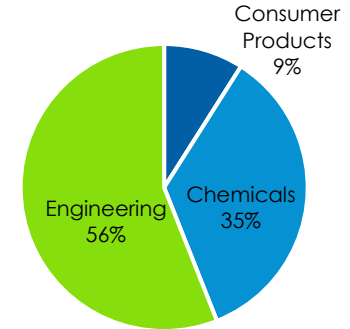
- **Industrial** – NTPC, NPC, Reliance, IOCL, JSW, CPCL, L&T, Essar group, IRCTC, BHEL, Tata Group.
- **Institutional** – Leela, Military Engineering Services, Taj Hotels, Holiday Inn, Hyatt Regency, Oberoi Hotels, Apollo Hospitals, Escorts Heart Institute, DLF, Puravankar.
- **International** – Cargill,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

FY19: PAT*
INR 659 Mn

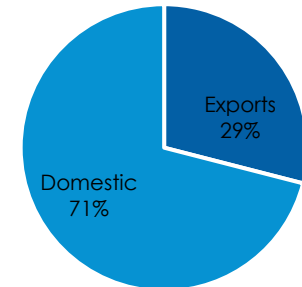
Company Overview

- 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

❑ **Q4-FY19 Performance:**

- Total Income*: INR 4,229 Mn
- EBITDA : INR 552 Mn
- EBITDA Margins: 13.05%
- Net Profit: INR 308 Mn
- PAT Margins: 7.28%
- Diluted EPS: INR 25.68

❑ **FY19 Performance:**

- Total Income*: INR 11,464 Mn
- EBITDA: INR 1,354 Mn
- EBITDA Margins: 11.81%
- Net Profit: INR 666 Mn
- PAT Margins: 5.81%
- Diluted EPS: INR 55.47

* Includes other income

□ **FY19 Performance:**

- Total Income*: INR 11,956 Mn
- EBITDA : INR 1,399 Mn
- EBITDA Margins: 11.70%
- Net Profit: INR 659 Mn
- PAT Margins: 5.51%
- Diluted EPS: INR 56.99

* Includes other income

ENGINEERING

- Good order inflow during the current year resulted in increase in Sales and profitability during the current year. Based on Enquiry bank, we expect good order visibility in the coming year also.
- During the Q4-FY19 Sri Lanka order witnessed accelerated execution and we are confident of maintaining the tempo in the coming year. Revenue recognition in the quarter is based on work progress.
- Membrane sheets produced from our Goa factory have been well accepted in the market.

CHEMICALS

- Demand growth in certain product segments has resulted in increased volume and improved profitability.
- Company initiated capacity expansion in Chemical segment during the year which will be continued in the next year. This has helped us to achieve growth in sales and improved profitability.

GROUP COMPANIES

- Overall improvement in subsidiary companies performance.

Q4-FY19 – STANDALONE INCOME STATEMENT (IND AS)

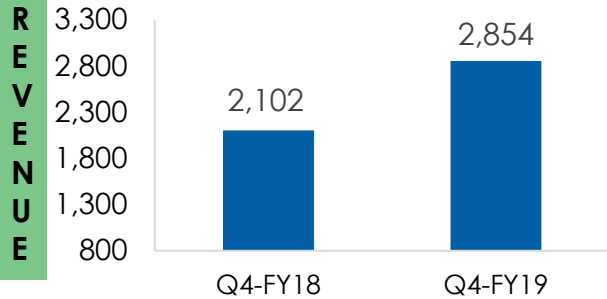
INCOME STATEMENT (INR MN)	Q4-FY19	Q4-FY18	Y-o-Y	Q3-FY19	Q-o-Q
Total Income*	4,229	3,355	26.1%	2,583	63.7%
Total Expenses	3,677	2,928	25.6%	2,307	59.4%
EBITDA	552	427	29.3%	276	100.0%
EBITDA Margins (%)	13.05%	12.73%	32 Bps	10.69%	236 Bps
Depreciation	47	25	88.0%	45	4.4%
Finance Cost	42	49	(14.3)%	39	7.7%
PBT	463	353	31.2%	192	141.1%
Tax	155	116	33.6%	64	142.2%
Profit After Tax	308	237	30.0%	128	140.6%
PAT Margins (%)	7.28%	7.06%	22 Bps	4.96%	232 Bps
Other Comprehensive Income	(4)	1	NA	-	NA
Total Comprehensive Income	304	238	27.7%	128	137.5%
Diluted EPS (INR) (Not annualised)	25.68	19.74	30.1%	10.67	140.7%

* Includes other income

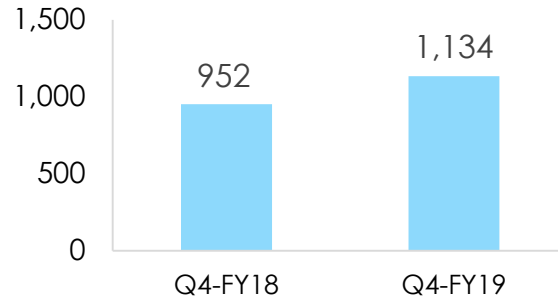
Note: Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts.
No. of Shares- 26,62,914

SEGMENTAL BREAKUP- QUARTERLY STANDALONE

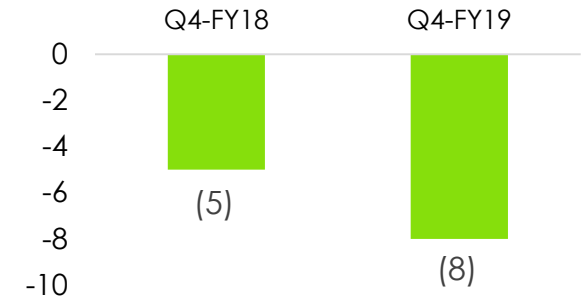
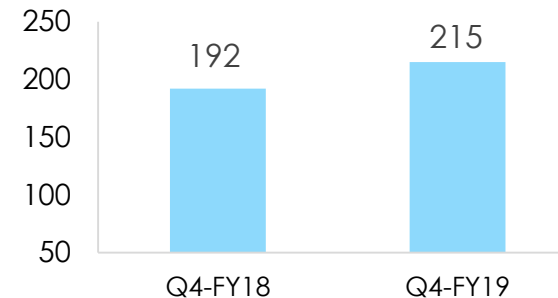
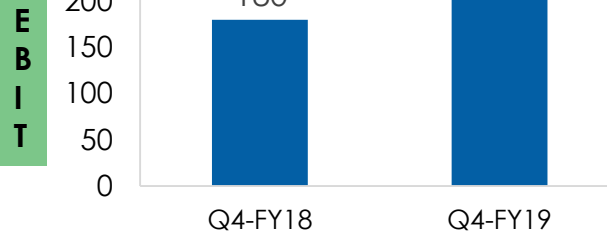
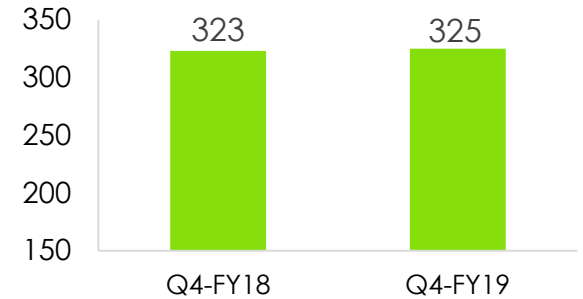
ENGINEERING (INR MN)



CHEMICALS (INR MN)



CONSUMER PRODUCTS (INR MN)



STANDALONE INCOME STATEMENT (IND AS)

INCOME STATEMENT (INR MN)	FY19	FY18	Y-o-Y
Total Income*	11,464	10,243	11.9%
Total Expenses	10,110	9,239	9.4%
EBITDA	1,354	1,004	34.9%
EBITDA Margins (%)	11.81%	9.80%	201 Bps
Depreciation	181	119	52.1%
Finance Cost	162	157	3.2%
PBT	1,011	728	38.9%
Tax	345	250	38.0%
Profit After Tax	666	478	39.3%
PAT Margins (%)	5.81%	4.67%	114 Bps
Other Comprehensive Income	(5)	(2)	NA
Total Comprehensive Income	661	476	38.9%
Diluted EPS (INR)	55.47	39.78	39.4%

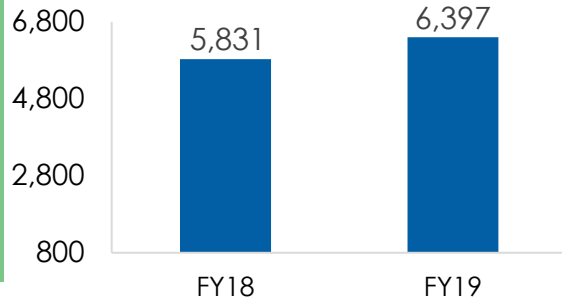
* Includes other income

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

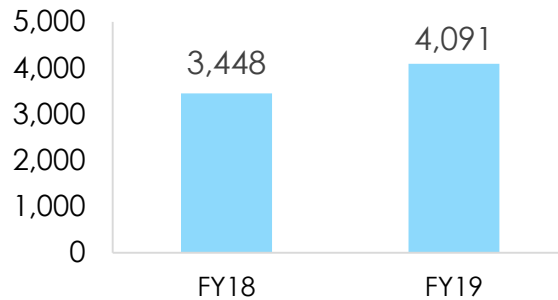
SEGMENTAL BREAKUP- STANDALONE

ENGINEERING (INR MN)

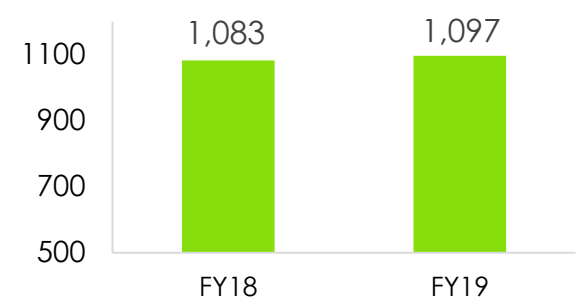
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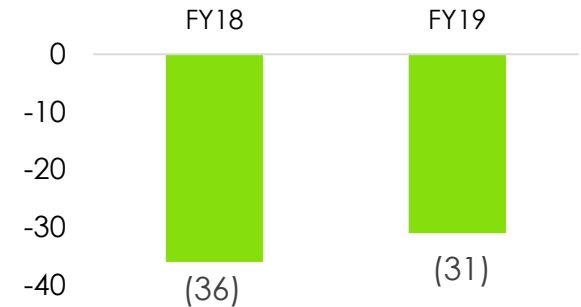
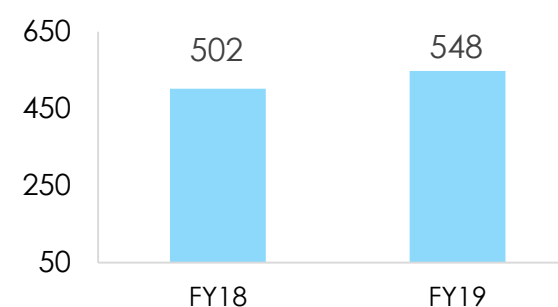
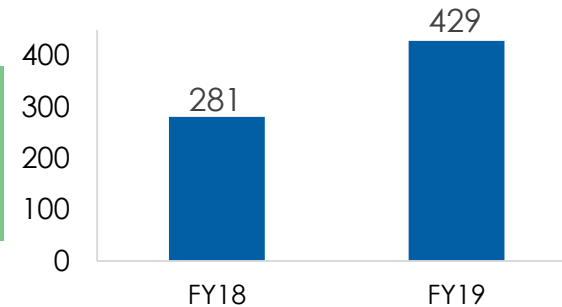
CHEMICALS (INR MN)



CONSUMER PRODUCTS (INR MN)



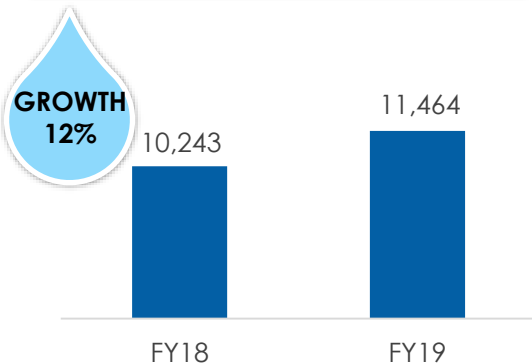
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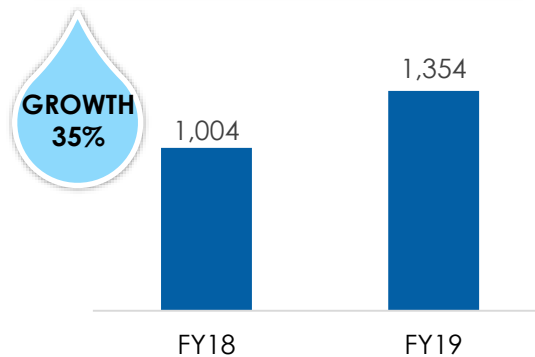
Standalone Balance Sheet (As per IndAS)

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		
Non-Current Liabilities			(i) Investments	575	607
(A) Financial Liabilities			(ii) Trade Receivables	36	36
(i) Borrowings	331	261	(iii) Loans	399	403
(ii) Other financial Liabilities	89	81	(E) Deferred Tax Assets (Net)	-	-
(B) Provisions	101	118	(F) Other Non-Current Assets	56	63
(C) Deferred Tax Liabilities (Net)	19	11	(G) Non Current Tax Assets	3	-
(D) Other Non-Current Liabilities	-	-	Total Non – Current Assets	2,495	2,671
(E) Liabilities for Non-Current Tax (Net)	17	15	Current Assets		
Total Non – Current Liabilities	557	486	(A) Inventories	771	1,092
Current Liabilities			(B) Financial Assets		
(A) Financial Liabilities			(i) Investments	4	4
(i) Borrowings	886	434	(ii) Trade Receivables	4,297	4,276
(ii) Trade Payables	3,406	3,948	(iii) Cash & Cash Equivalents	606	360
(iii) Other Financial Liabilities	358	380	(iv) Bank Balances	1,902	2,394
(B) Other Current Liabilities	2,587	2,979	(v) Loans	554	509
(C) Provisions	39	38	(vi) Other Financial Assets	76	184
(D) Liabilities for current tax (Net)	114	141	(C) Other current assets	376	660
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

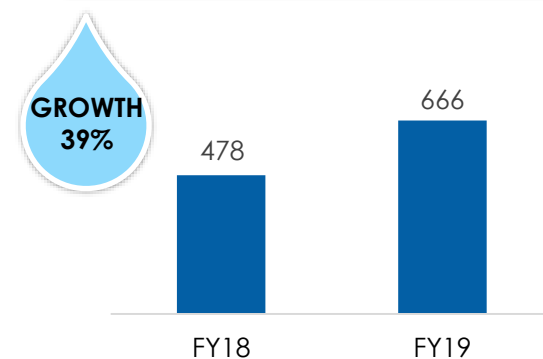
REVENUES* (INR MN)



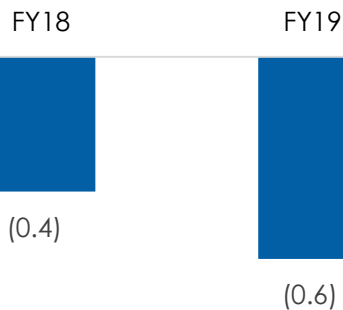
EBITDA (INR MN)



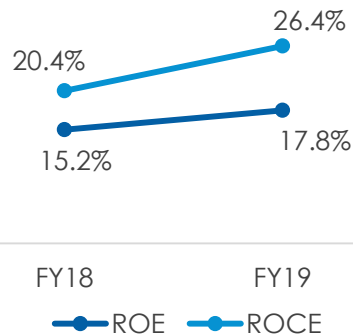
PAT (INR MN)



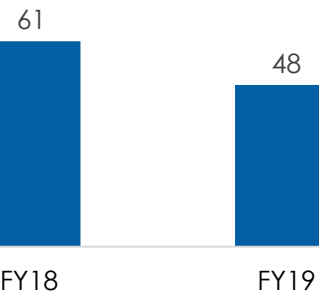
NET DEBT/EQUITY



ROE and ROCE



WORKING CAPITAL DAYS



* Includes other income

CONSOLIDATED INCOME STATEMENT (As per IndAS)

INCOME STATEMENT (INR MN)	FY19	FY18	Y-o-Y
Total Income*	11,956	10,760	11.1%
Total Expenses	10,557	9,779	8.0%
EBITDA	1,399	981	42.6%
EBITDA Margins (%)	11.70%	9.12%	258 Bps
Depreciation	196	131	49.6%
Finance Cost	190	187	1.6%
PBT	1,013	663	52.8%
Share of Profit of equity accounted investee	5	(1)	NA
Tax	359	263	36.5%
Profit After Tax	659	399	65.2%
PAT Margins (%)	5.51%	3.70%	181 Bps
Other Comprehensive Income	1	(14)	NA
Total Comprehensive Income	660	385	71.4%
EPS Diluted (INR)	56.99	34.46	65.4%

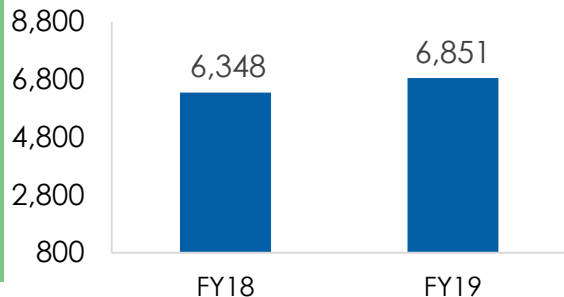
* Includes other income

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)

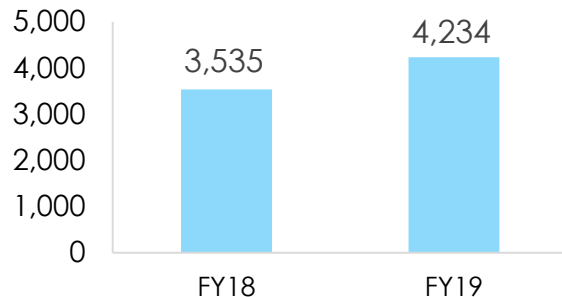
SEGMENTAL BREAKUP- Consolidated

ENGINEERING (INR MN)

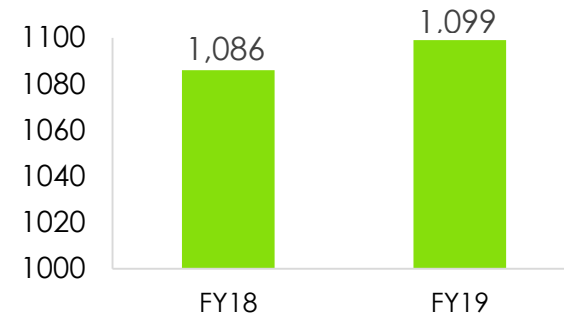
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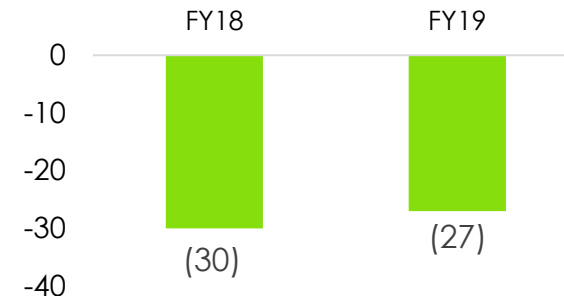
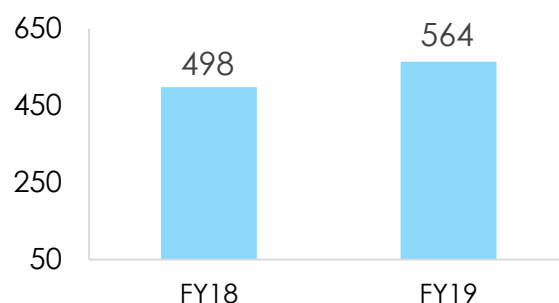
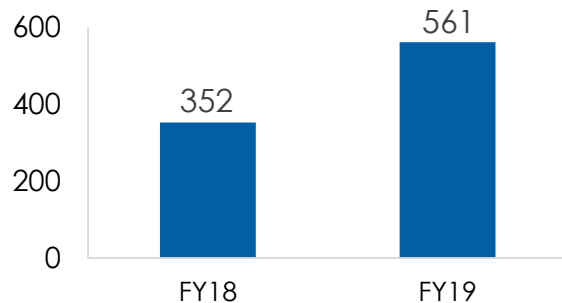
CHEMICALS (INR MN)



CONSUMER PRODUCTS (INR MN)



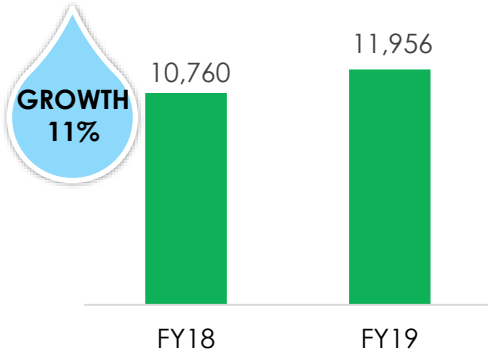
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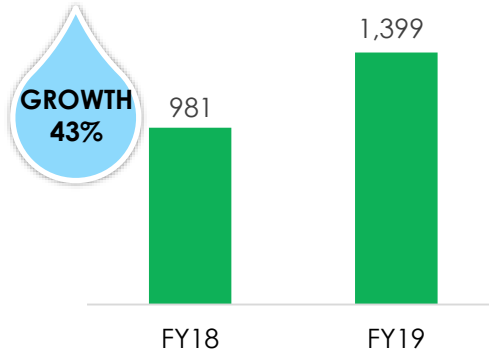
Consolidated Balance Sheet (As per IndAS)

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

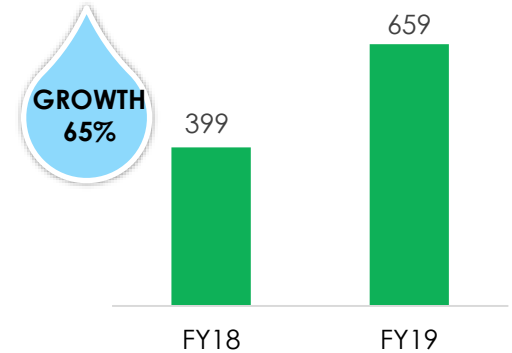
REVENUES* (INR MN)



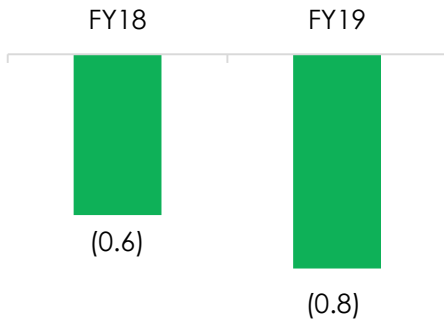
EBITDA (INR MN)



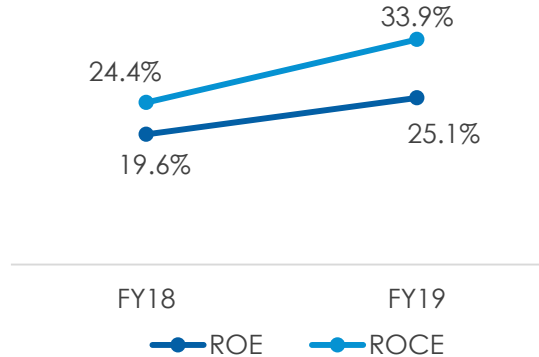
PAT* (INR MN)



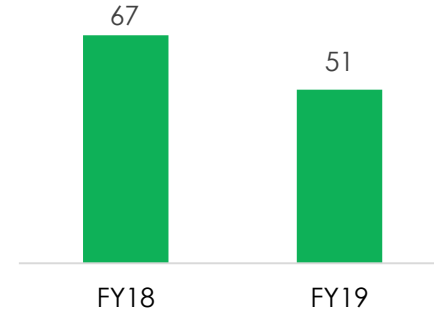
NET DEBT/ EQUITY



ROE and ROCE



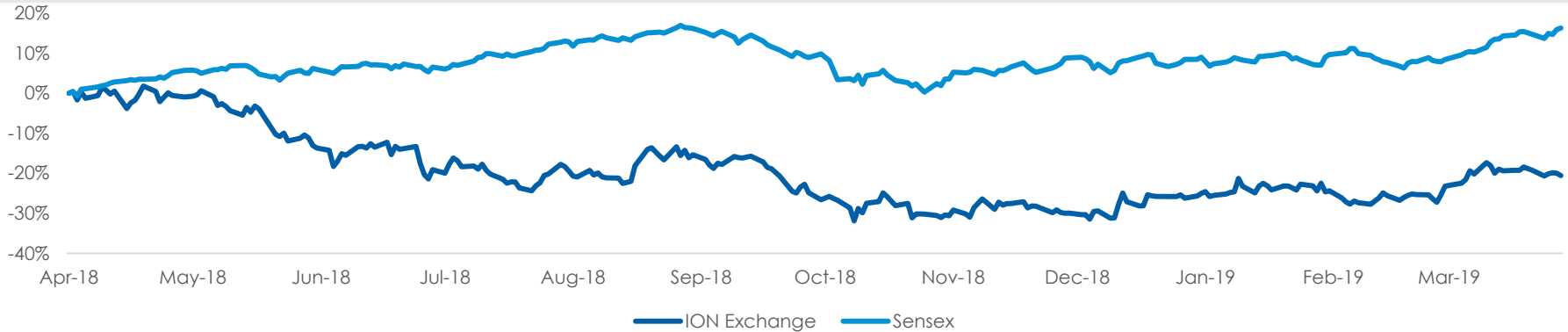
WORKING CAPITAL DAYS



* Includes other income

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

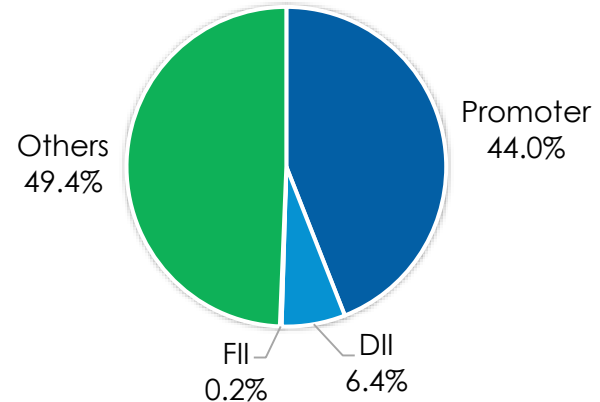
1 YEAR SHARE PRICE MOVEMENT (AS ON 31ST MARCH, 2019)



PRICE DATA (AS ON 31ST MARCH, 2019)

Face value (INR)	10
Market Price (INR)	398.05
52 Week H/L (INR)	520.9/335.0
Market Cap (INR Mn)	5,838.1
Equity Shares Outstanding (Mn)	14.67
1 Year Avg. trading volume ('000)	4.92

SHAREHOLDING PATTERN (AS ON 31ST MARCH, 2019)



Ion Exchange (India) Limited

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For further details please contact our Investor Relations Representatives:

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Mr. Anuj Sonpal

Tel: +91-22-49039500

Email: ion@valoremadvisors.com



ION EXCHANGE
Refreshing the Planet

THANK YOU