

July 27, 2023

To

BSE Limited

The Corporate Relationship Dept.

P.J. Towers, Dalal Street

Mumbai-400 001

Scrip Code: 500214

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block- G,

Bandra Kurla Complex, Bandra (East),

Mumbai-400 051

Scrip Code: IONEXCHANG

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

Dear Sir/ Madam,

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 first quarter ended June 30, 2023.

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

Kindly take the information on record.

Thanking You

Yours faithfully,

For Ion Exchange (India) Limited

Milind Puranik

Company Secretary



 **ION EXCHANGE**
Refreshing the Planet

EARNINGS PRESENTATION – Q1-FY24

- Ion Exchange (India) Ltd (Ion Exchange), formed in 1964, is a pioneer in water, wastewater treatment & environment solutions and caters to various industries, institutions, homes & communities.
- Headquartered in Mumbai, the company has seven manufacturing & assembly facilities across India, and one each in Bangladesh, UAE, and Indonesia. It also has presence across other key geographies.

BUSINESS & FY23 REVENUE MIX (%) - CONSOLIDATED

- **Engineering (60%)** – Provides comprehensive and integrated services and solutions in water & wastewater treatment including Sea Water desalination, Recycle and Zero liquid discharge plants to diverse industries.
- **Chemicals (30%)** – Provides a comprehensive range of resins, speciality chemicals and customized chemical treatment programmes for water, non-water and specialty applications.
- **Consumer Products (10%)** – 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, ArcelorMittal, Nippon Steel, Nayara Energy, IRCTC, BHEL, Tata Group.
- **Institutional** – Leela, Military Engineering Services, Taj Hotels, Holiday Inn, Hyatt Regency, Oberoi Hotels, Apollo Hospitals, Escorts Heart Institute, DLF, Puravankara.
- **International** – Cargill, Technip France, Unilever Group, Jurong, Thyssenkrupp (Uhde), Jacobs, Kawasaki, Mitsubishi, PDO Oman, Emirates Steel, IKPP Indonesia, JESA and Hyundai Engineering



FY23: Operating Income*
INR 19,896 Mn



FY23: Operating EBITDA*
INR 2,550 Mn



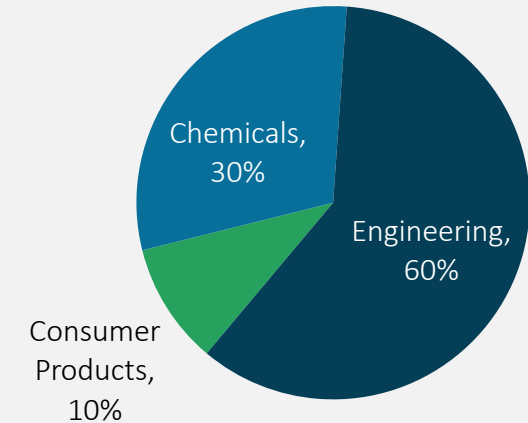
FY23: PAT*
INR 1,950 Mn

*Consolidated

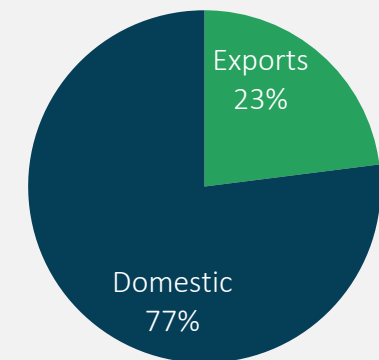
Company Overview

- 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 59th 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, municipalities, homes and communities, urban and rural.
- It offers a wide range of solutions across the water cycle from pre-treatment to process water treatment, wastewater treatment, recycle, zero liquid discharge, sewage treatment, packaged drinking water, sea water desalination etc.
- Ion Exchange is also engaged in manufacturing ion exchange resins, membranes, speciality chemicals for water and wastewater treatment as well as non-water applications.
- It has two facilities for in-house R&D and two applications and testing centers.
- It has over 50 patents to their credit and 100+ products commercialized.
- It has a global presence apart from presence in major cities in India with 36+ sales & service centers and 100+ Channel Partners.
- It exports to Africa, Japan, Middle East, Russia, Southeast Asia, Europe, UK, USA, Canada and neighbouring countries.

FY23 REVENUE BREAKUP*



FY23 GEOGRAPHICAL BREAKUP*



*Consolidated

Q1-FY24 Financial Highlights

Q1-FY24 Performance (Standalone)

INR 4,486 Mn
Operating Income

INR 506 Mn
Operating EBITDA

11.28%
Operating EBITDA
Margins

INR 384 Mn
Net Profit

8.56%
PAT Margins

INR 3.123/Share*
Diluted EPS

Q1-FY24 Performance (Consolidated)

INR 4,792 Mn
Operating Income

INR 489 Mn
Operating EBITDA

10.20%
Operating EBITDA
Margins

INR 333 Mn
Net Profit

6.95%
PAT Margins

INR 2.806/Share*
Diluted EPS

* The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity shares of face value of INR 1 each with effect from 12th June 2023 (record date). The basic and diluted earning per share (EPS) for the current and previous periods / year has been restated to give effect of the share split as per Ind AS 33.

Q1-FY24 Operational Highlights

ENGINEERING

- The segment continues to witness steady order flow and robust enquiry bank.
- Execution of the UP Jal Nigam Project is progressing satisfactorily, and revenue has been recognized based on work completion.
- Regarding Sri Lanka order, the discussions continue amongst all the stake holders and we remain hopeful of project closure in FY 23-24.

CHEMICALS

- The Export volumes have improved on Q-on-Q basis.
- The segment sustained the margin improvements against the backdrop of stability in input costs and improved volumes of higher margin product lines.

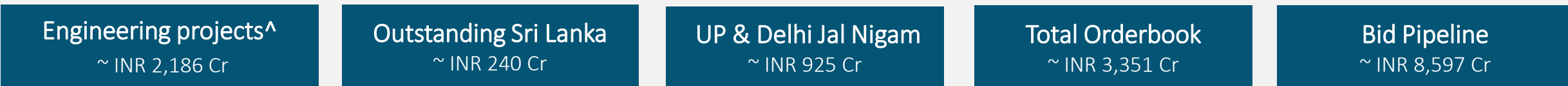
CONSUMER PRODUCTS

- The segment continues to record healthy volume growth reflecting increased penetration and product acceptance.

GROUP COMPANIES

- The Company completed the process of acquiring 100% capital of M/s Mapril, Portugal. This is expected to improve the reach of the Company's products in Europe.
- The Company's merger applications in respect of three of its Indian Subsidiary Companies with the Parent Holding Co have been filed with the competent authorities and the same are under process.

ENGINEERING ORDER BOOK AND PIPELINE (As on 30th June, 2023)



[^]Excluding Sri Lanka Order, UP SWSM & Delhi Jal Nigam Order

An underwater scene with a blue-green color palette. Sunlight rays penetrate from the top, creating a bright, hazy area. Numerous bubbles of various sizes are scattered throughout the water, with a dense trail of small bubbles rising from the bottom center. Two larger, more complex bubble structures are visible in the middle ground.

FINANCIAL OVERVIEW

Quarterly Standalone Financial Performance

INCOME STATEMENT (INR MN)	Q1-FY24	Q1-FY23	Y-o-Y	Q4-FY23	Q-o-Q
Operating Income	4,486	3,580	25.3%	6,204	(27.7)%
Expenses	3,980	3,251	22.4%	5,250	(24.2)%
Operating EBITDA	506	329	53.6%	954	(47.0)%
<i>Operating EBITDA Margins (%)</i>	<i>11.28%</i>	<i>9.19%</i>	<i>209 Bps</i>	<i>15.38%</i>	<i>(410) Bps</i>
Depreciation	76	68	11.8%	71	7.0%
Finance Cost	18	16	12.5%	16	12.5%
Other Income	106	179	(40.8)%	52	103.8%
PBT	518	424	22.2%	919	(43.6)%
Tax	134	113	18.6%	197	(32.0)%
Profit After Tax	384	311	23.5%	722	(46.8)%
<i>PAT Margins (%)</i>	<i>8.56%</i>	<i>8.69%</i>	<i>(13) Bps</i>	<i>11.64%</i>	<i>(308) Bps</i>
Other Comprehensive Income	(6)	(3)	NA	(13)	(53.8)%
Total Comprehensive Income	378	308	22.7%	709	(46.7)%
Diluted EPS (INR)#	3.123	2.531	23.3%	5.871	(46.8)%

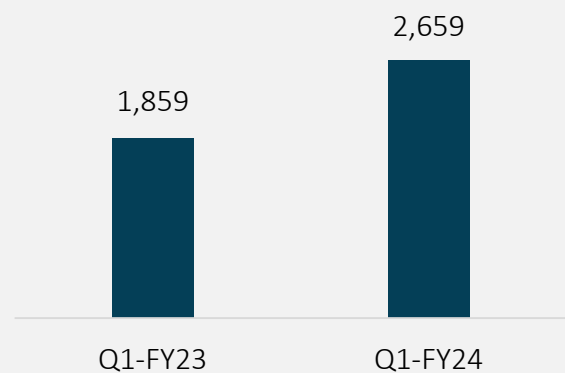
#Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts. & HMIL Shareholding (Staff Welfare) Trusts: (No. of Shares- 2,37,36,140)

Note: The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity shares of face value of INR 1 each with effect from 12th June 2023 (record date). The basic and diluted earning per share (EPS) for the current and previous periods / year has been restated to give effect of the share split as per Ind AS 33.

Quarterly Standalone Segmental Breakup

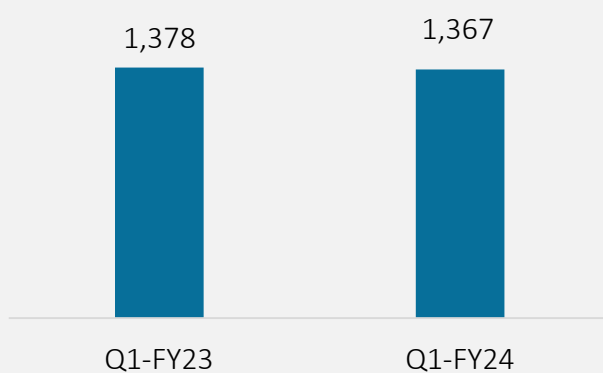
ENGINEERING (INR MN)

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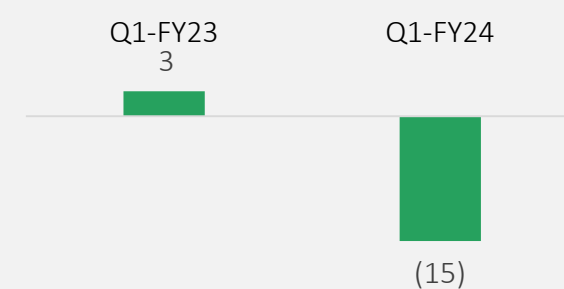
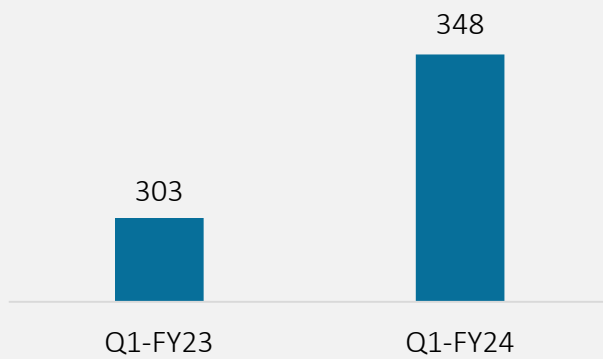
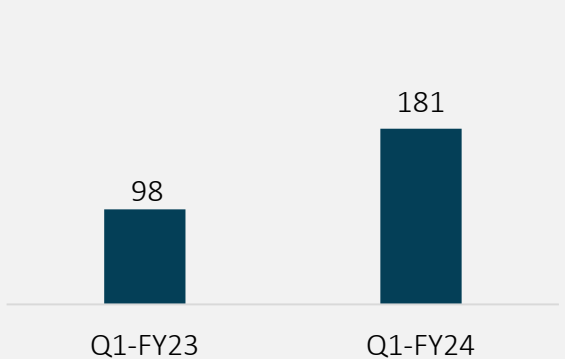
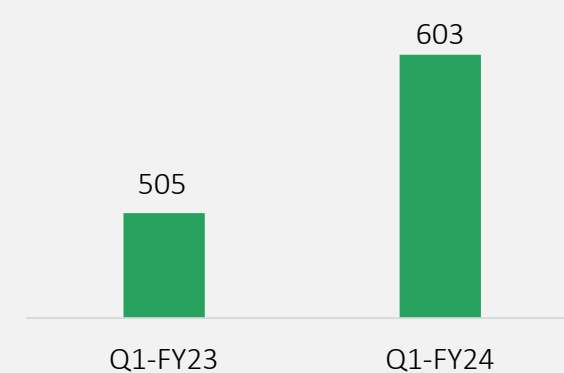


CHEMICALS (INR MN)

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CONSUMER PRODUCTS (INR MN)



Quarterly Consolidated Financial Performance

INCOME STATEMENT (INR MN)	Q1-FY24	Q1-FY23	Y-o-Y	Q4-FY23	Q-o-Q
Operating Income	4,792	3,824	25.3%	6,475	(26.0)%
Expenses	4,303	3,495	23.1%	5,411	(20.5)%
Operating EBITDA	489	329	48.6%	1,064	(54.0)%
<i>Operating EBITDA Margins (%)</i>	<i>10.20%</i>	<i>8.60%</i>	<i>160 Bps</i>	<i>16.43%</i>	<i>(623) Bps</i>
Depreciation	79	71	11.3%	74	6.8%
Finance Cost	21	22	(4.5)%	23	(8.7)%
Other Income	87	149	(41.6)%	55	58.2%
PBT	476	385	23.6%	1,022	(53.5)%
Share of Profit of equity accounted Investee	-	5	NA	1	NA
Tax	143	116	23.3%	211	(32.2)%
Profit After Tax	333	274	21.5%	812	(59.0)%
<i>PAT Margins (%)</i>	<i>6.95%</i>	<i>7.17%</i>	<i>(22) Bps</i>	<i>12.54%</i>	<i>(559) Bps</i>
Other Comprehensive Income	(2)	5	NA	(17)	88.2%
Total Comprehensive Income	331	279	18.6%	795	(58.4)%
Diluted EPS (INR)#	2.806	2.364	18.7%	6.890	(59.2)%

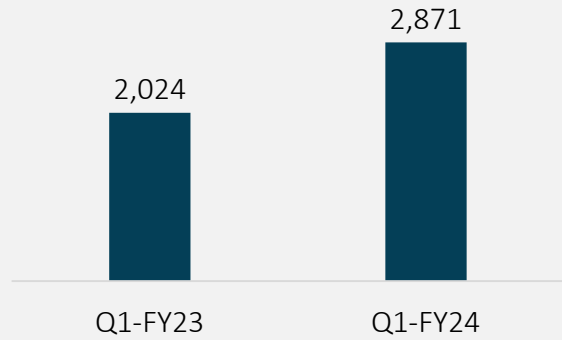
#Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts. & HMIL Shareholding (Staff Welfare) Trusts: (No. of Shares- 2,37,36,140) and shares held by Subsidiary companies: (No of Shares: 43,78,740)

Note: The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity shares of face value of INR 1 each with effect from 12th June 2023 (record date). The basic and diluted earning per share (EPS) for the current and previous periods / year has been restated to give effect of the share split as per Ind AS 33

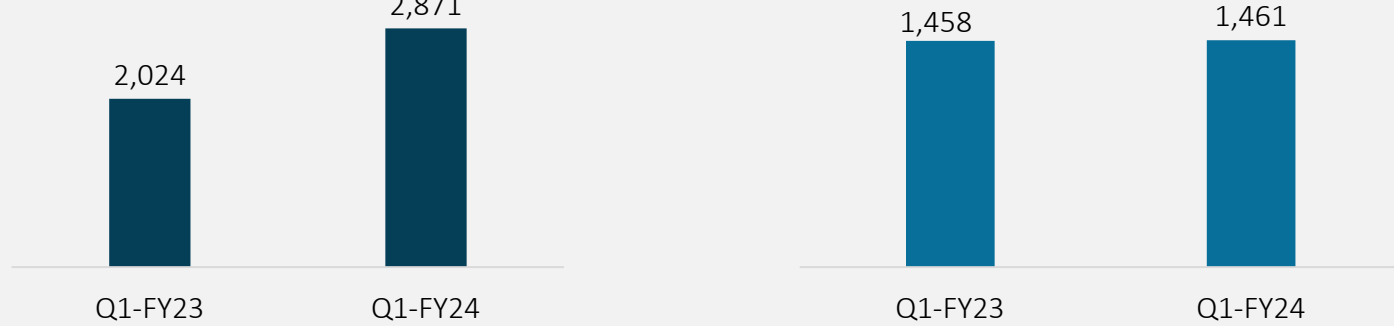
Quarterly Consolidated Segmental Breakup

ENGINEERING (INR MN)

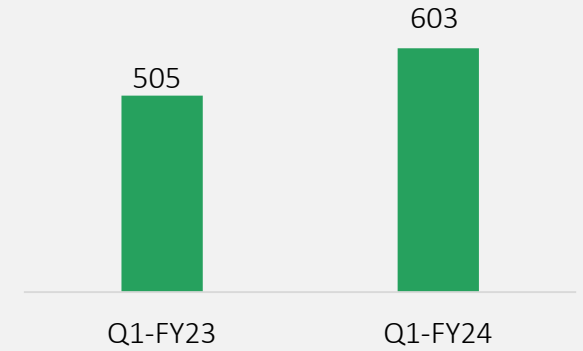
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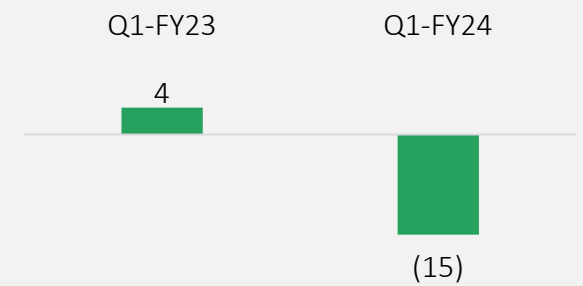
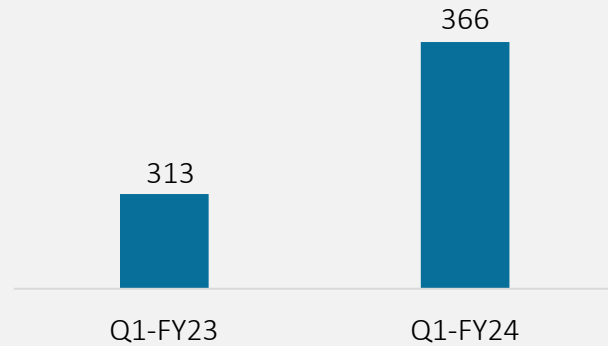
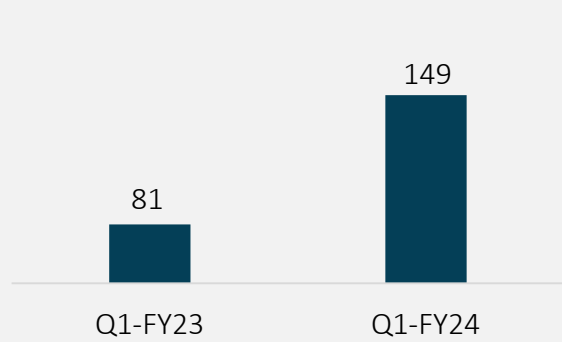
CHEMICALS (INR MN)



CONSUMER PRODUCTS (INR MN)



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The background is a vibrant blue underwater scene. Sunlight rays stream down from the top right, creating a bright, ethereal glow. Numerous bubbles of various sizes are scattered throughout the water, with a prominent cluster of larger bubbles in the center. The overall atmosphere is clean, fresh, and dynamic.

HISTORICAL FINANCIAL OVERVIEW

Historical Standalone Financial Performance

INCOME STATEMENT (INR MN)	FY20	FY21	FY22	FY23	Q1-FY24
Operating Income	14,072	14,018	15,094	18,922	4,486
Expenses	12,862	12,067	13,123	16,592	3,980
Operating EBITDA	1,210	1,951	1,971	2,330	506
<i>Operating EBITDA Margins (%)</i>	<i>8.60%</i>	<i>13.92%</i>	<i>13.06%</i>	<i>12.31%</i>	<i>11.28%</i>
Depreciation	221	261	268	280	76
Finance Cost	132	99	76	64	18
Other Income	485	368	461	468	106
PBT	1,342	1,959	2,088	2,454	518
Tax	351	499	545	607	134
Profit After Tax	991	1,460	1,542	1,847	384
<i>PAT Margins (%)</i>	<i>7.04%</i>	<i>10.42%</i>	<i>10.22%</i>	<i>9.76%</i>	<i>8.56%</i>
Other Comprehensive Income	(9)	9	(15)	(23)	(6)
Total Comprehensive Income	982	1,469	1,527	1,824	378
Diluted EPS (INR)	8.185 [#]	11.875 [@]	12.544 [@]	15.026 [@]	3.123 [@]

[#]Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts. No. of Shares- 2,36,89,390

[@]Earnings per equity share includes impact of equity shares held by IEI Shareholding (Staff Welfare) Trusts. & HMIL Shareholding (Staff Welfare) Trusts: (No. of Shares- 2,37,36,140)

Note: The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity shares of face value of INR 1 each with effect from 12th June 2023 (record date).

The basic and diluted earning per share (EPS) for the current and previous periods / year has been restated to give effect of the share split as per Ind AS 33

Historical Standalone Balance Sheet

PARTICULARS (INR MN)	FY21	FY22	FY23
EQUITIES & LIABILITIES			
Equity			
(A) Equity Share Capital	147	147	147
(B) Other Equity	6,123	7,527	9,228
Total Equity	6,270	7,674	9,375
Non-Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	79	117	157
(ii) Lease Liabilities	46	26	34
(iii) Other financial Liabilities	85	89	87
(B) Provisions	148	166	211
Total Non – Current Liabilities	358	398	489
Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	228	196	95
(ii) Lease Liabilities	59	40	31
(iii) Trade Payables	5,045	4,859	5,205
(iv) Other Financial Liabilities	263	280	361
(B) Other Current Liabilities	2,441	3,014	3,984
(C) Provisions	46	64	57
(D) Liabilities for current tax (Net)	246	142	49
Total Current Liabilities	8,328	8,595	9,782
GRAND TOTAL - EQUITIES & LIABILITES	14,956	16,667	19,646

PARTICULARS (INR MN)	FY21	FY22	FY23
ASSETS			
Non-Current Assets			
(A) Property, Plant and Equipment	1,421	1,389	1,645
(B) Capital Work-in-progress	146	201	420
(C) Right-of-Use Assets	298	364	340
(D) Other Intangible Assets	22	19	18
(E) Financial Assets			
(i) Investments	625	639	679
(ii) Trade Receivables	12	12	12
(iii) Loans	335	220	220
(iv) Other Financial Assets	85	86	76
(F) Other Non-Current Assets	35	164	39
(G) Deferred Tax Assets	42	82	104
Total Non – Current Assets	3,021	3,177	3,553
Current Assets			
(A) Inventories	1,024	1,462	1,847
(B) Financial Assets			
(i) Investments	2	3	3
(ii) Trade Receivables	4,528	5,088	6,990
(iii) Cash & Cash Equivalents	1,813	1,536	1,586
(iv) Bank Balances	3,057	3,590	3,583
(v) Loans	531	763	578
(vi) Other Financial Assets	99	115	130
(C) Other current assets	881	933	1,376
Total Current Assets	11,935	13,490	16,093
GRAND TOTAL – ASSETS	14,956	16,667	19,646

Historical Consolidated Financial Performance

INCOME STATEMENT (INR MN)	FY20	FY21	FY22	FY23	Q1-FY24
Operating Income	14,798	14,495	15,769	19,896	4,792
Expenses	13,453	12,472	13,637	17,346	4,303
Operating EBITDA	1,345	2,023	2,132	2,550	489
<i>Operating EBITDA Margins (%)</i>	<i>9.09%</i>	<i>13.96%</i>	<i>13.52%</i>	<i>12.82%</i>	<i>10.20%</i>
Depreciation	235	277	280	291	79
Finance Cost	160	126	100	92	21
Other Income	354	331	417	411	87
PBT	1,304	1,951	2,169	2,578	476
Share of Profit of equity accounted Investee	5	(1)	4	9	-
Tax	367	517	556	637	143
Profit After Tax	942	1,433	1,617	1,950	333
<i>PAT Margins (%)</i>	<i>6.37%</i>	<i>9.89%</i>	<i>10.25%</i>	<i>9.80%</i>	<i>6.95%</i>
Other Comprehensive Income	2	(2)	(10)	(17)	(2)
Total Comprehensive Income	944	1,431	1,607	1,933	331
EPS Diluted (INR)	8.022 [#]	12.141 [@]	13.730 [@]	16.595 [@]	2.806 [@]

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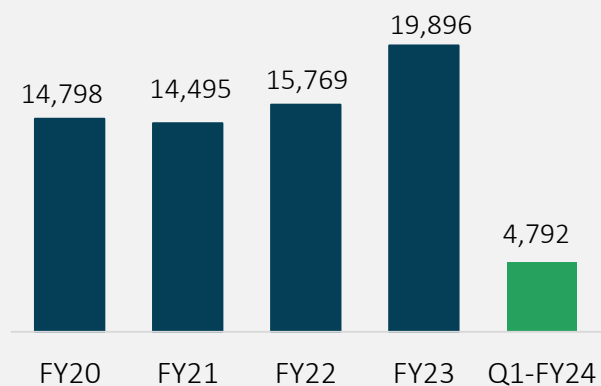
Historical Consolidated Balance Sheet

PARTICULARS (INR MN)	FY21	FY22	FY23
EQUITIES & LIABILITIES			
Equity			
(A) Equity Share Capital	142	142	142
(B) Other Equity	4,916	6,414	8,193
Equity attributable to owners	5,058	6,556	8,335
Non Controlling Interest	(1)	(8)	23
Total Equity	5,057	6,548	8,358
Non-Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	79	117	157
(ii) Lease liabilities	48	29	34
(iii) Other Financial Liabilities	85	89	87
(B) Provisions	171	190	239
(C) Deferred Tax Liabilities (Net)	-	3	8
(D) Other Non-Current Liabilities	5	5	5
Total Non – Current Liabilities	388	433	530
Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	434	364	368
(ii) Lease liabilities	61	42	33
(iii) Trade Payables	5,353	5,235	5,513
(iv) Other Financial Liabilities	311	324	404
(B) Other Current Liabilities	2,518	3,085	4,071
(C) Provisions	53	73	66
(D) Liabilities for current tax (Net)	258	150	59
Total Current Liabilities	8,988	9,273	10,514
GRAND TOTAL - EQUITIES & LIABILITES	14,433	16,254	19,402

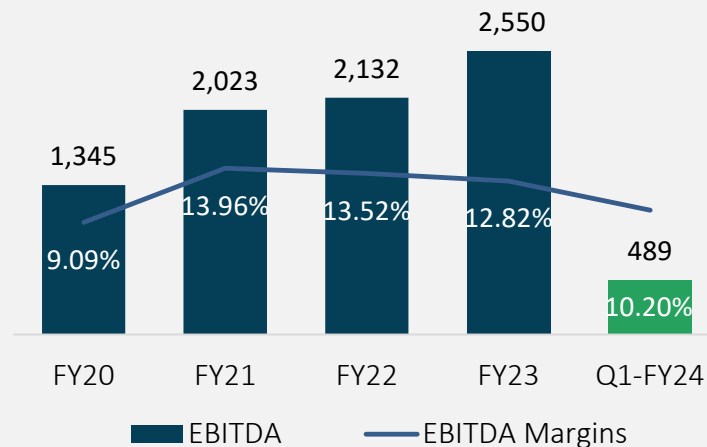
PARTICULARS (INR MN)	FY21	FY22	FY23
ASSETS			
Non-Current Assets			
(A) Property, Plant and Equipment	1,486	1,446	1,707
(B) Capital Work-in-progress	146	200	420
(C) Right-of-Use Assets	303	370	343
(D) Other Intangible Assets	22	19	18
(E) Goodwill	86	86	86
(F) Investment accounted using Equity Method	36	40	48
(G) Financial Assets			
(i) Investments	7	44	47
(ii) Trade Receivables	45	45	45
(iii) Other Financial Assets	177	171	155
(H) Deferred Tax Assets (Net)	54	93	116
(I) Other Non-Current Assets	135	257	120
(J) Non-Current Tax Assets	6	14	18
Total Non – Current Assets	2,503	2,785	3,123
Current Assets			
(A) Inventories	1,276	1,810	2,223
(B) Financial Assets			
(i) Investments	2	3	3
(ii) Trade Receivables	4,489	5,077	6,968
(iii) Cash & Cash Equivalents	1,972	1,691	1,754
(iv) Bank Balances	3,082	3,668	3,726
(v) Loans	142	201	152
(vi) Other Financial Assets	117	137	151
(C) Current Tax Assets (Net)	7	3	0
(D) Other Current Assets	843	879	1,302
Total Current Assets	11,930	13,469	16,279
GRAND TOTAL – ASSETS	14,433	16,254	19,402

Consolidated Financial Performance

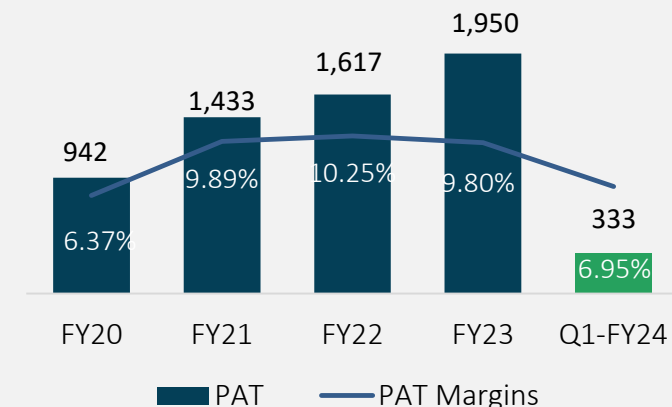
REVENUES (INR MN)



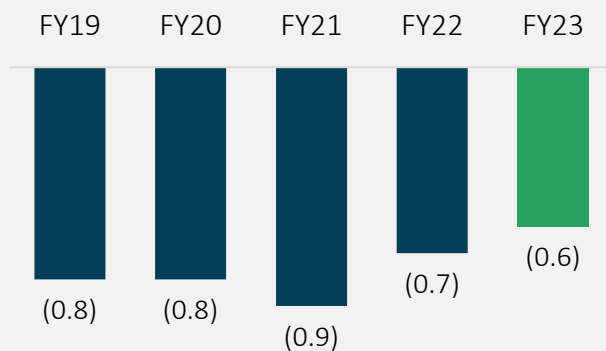
OPERATING EBITDA (INR MN)



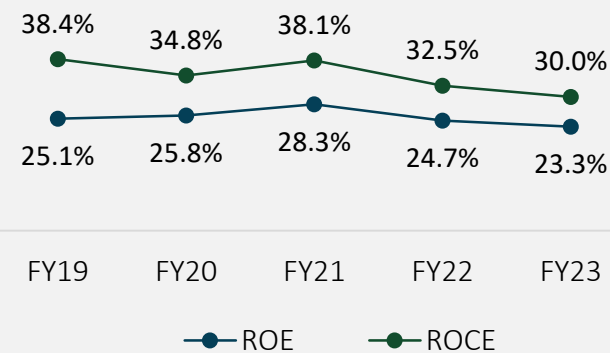
PAT (INR MN)



NET DEBT/ EQUITY

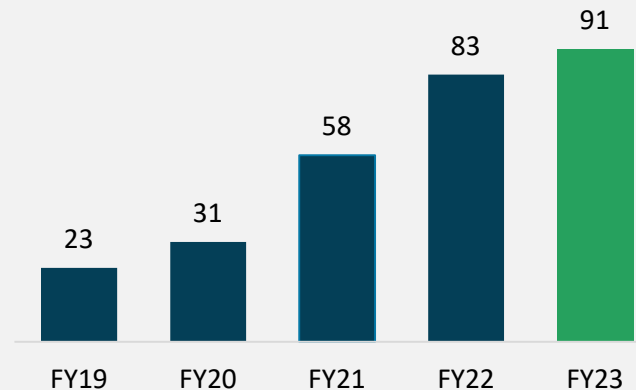


OPERATING EBITDA (INR MN)

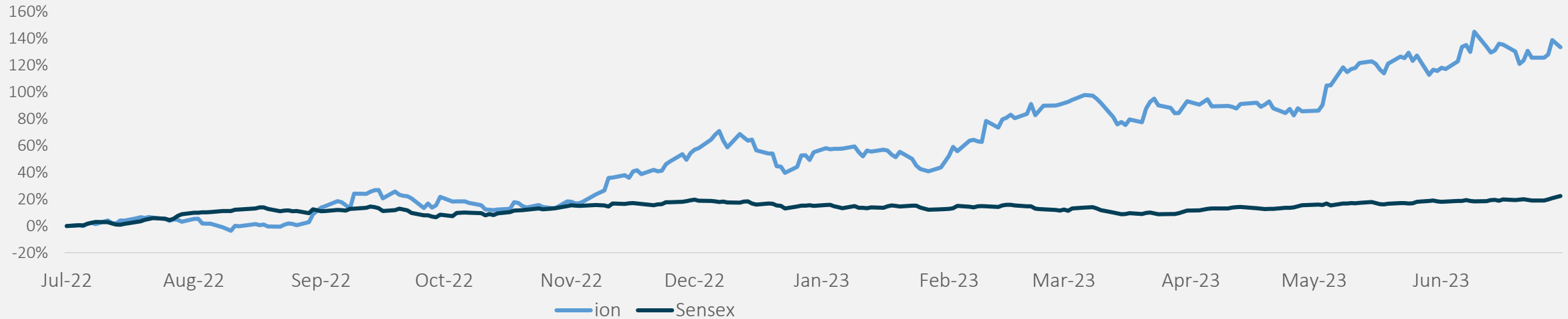


ROE = Net Profit/Net worth, ROCE = EBIT/Capital Employed

WORKING CAPITAL DAYS



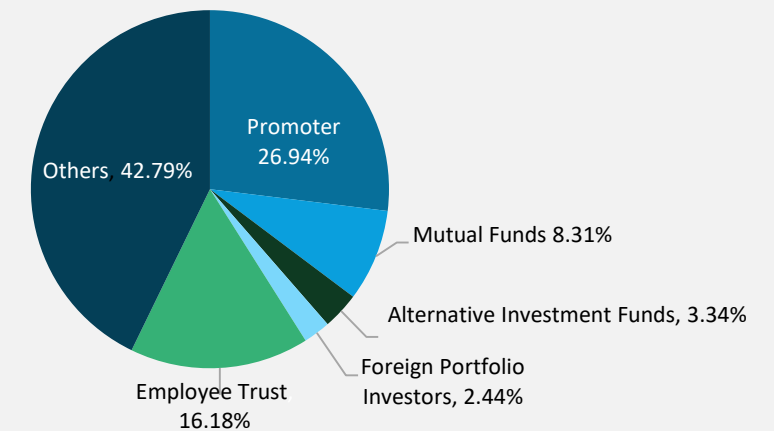
1 YEAR SHARE PRICE MOVEMENT (UP TO 30th June 2023)



PRICE DATA (As on 30th June 2023)

Face value (INR)	1.0
Market Price (INR)	412.4
52 Week H/L (INR)	439.8/150.7
Market Cap (INR Mn)	60,485.3
Equity Shares Outstanding (Mn)	14.7
1 Year Avg. trading volume ('000)	54.2

SHAREHOLDING PATTERN (As on 30th June 2023)



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Ion Exchange (India) Limited

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THANK YOU