

# B S R & Co. LLP

Chartered Accountants

1st Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011  
India

Telephone +91 (22) 3989 6000  
Fax +91 (22) 3090 2511

## Review Report

### To the Board of Directors of Ion Exchange (India) Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Ion Exchange (India) Limited ('the Company') for the quarter ended 30 September 2014 and year to date results for the period 1 April 2014 to 30 September 2014, in which are incorporated the returns from Ion Exchange Services division – Bengaluru branch which are reviewed by branch auditor appointed under Section 139 of the Companies Act, 2013, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The financial results for the quarter ended 30 June 2014, quarter ended 30 September 2013, half year ended 30 September 2013 and year ended 31 March 2014 included in the Statement were reviewed / audited by the then statutory auditors of the Company whose reports have been furnished to us and have been relied upon by us for the purpose of our review of the Statement. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company in their meeting held on 29 October 2014. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We did not review revenues and assets of Rs 346,858,482 and Rs 406,131,886 respectively, included in the accompanying statement of unaudited financial results in respect of branch not reviewed by us, whose financial information have been reviewed by the other auditors and whose reports have been furnished to us. Our conclusion on the accompanying statement of unaudited financial results, in so far as it relates to the affairs of such branch is based solely on the reports of other auditors.

**Review Report (*Continued*)**

**Ion Exchange (India) Limited**

4. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited financial results nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and polices has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatements.

For B S R & Co. LLP  
*Chartered Accountants*  
Firm's Registration No: 101248W/W-100022

*B. H. Dhupelia*

Mumbai  
29 October 2014

**Bhavesh Dhupelia**  
*Partner*  
Membership No: 042070

**ION EXCHANGE (INDIA) LIMITED**

Regd. Office : Ion House, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011

PARTICULARS		Quarter Ended					Year Ended
		30.09.2014		30.09.2013		31.03.2014	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
							Rs. in Lacs
1.	<b>Income from Operations</b>						
	a) Sales / Income from Operations	18,094	12,983	17,839	31,077	33,912	73,406
	Less : Excise Duty	687	623	638	1,310	1,206	2,356
	Net Sales / Income from Operations	17,407	12,360	17,201	29,767	32,706	71,050
	b) Other Operating Income	43	30	32	73	43	145
	Total Income from Operations (net)	17,450	12,390	17,233	29,840	32,749	71,195
2.	<b>Expenses</b>						
	a) Cost of materials consumed	11,546	7,166	10,910	18,712	21,235	46,891
	b) Purchase of stock-in-trade	555	653	942	1,208	1,653	2,831
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(145)	(259)	414	(404)	(67)	251
	d) Employee benefits expense	1,960	1,851	1,852	3,811	3,957	7,270
	e) Depreciation and amortisation expense	289	296	216	585	436	840
	f) Other expenses	2,681	2,196	2,503	4,877	4,682	9,807
	Total expenses	16,886	11,903	16,837	28,789	31,896	67,890
3.	<b>Profit from Operations before Other Income and Finance Costs (1-2)</b>	564	487	396	1,051	853	3,305
4.	<b>Other Income</b>	255	218	375	473	765	814
5.	<b>Profit before Finance Costs (3+4)</b>	819	705	771	1,524	1,618	4,119
6.	<b>Finance Costs</b>	276	277	263	553	480	979
7.	<b>Profit Before Tax (5-6)</b>	543	428	508	971	1,138	3,140
8.	<b>Tax Expenses (Includes Deferred Tax)</b>	177	139	178	316	387	1,088
9.	<b>Net Profit after Tax (7-8)</b>	366	289	330	655	751	2,052
10.	<b>Paid up Equity Share Capital (Face Value - Rs.10 per share)</b>	1,453	1,453	1,453	1,453	1,453	1,453
11.	<b>Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year.</b>						18,626
12.	<b>Basic and diluted EPS for the period and for the previous year (of Rs. 10 each).</b>						
	-Basic EPS (Rs.) [Not annualised]	2.52	1.98	2.28	4.51	5.18	14.13
	-Diluted EPS (Rs.) [Not annualised]	2.49	1.97	2.27	4.45	5.15	14.08

SIGNED FOR IDENTIFICATION  
BY

*B. H. Dhanpal*

For B S R & CO. LLP



## Part II

## SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2014

PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
<b>A PARTICULARS OF SHAREHOLDING</b>						
1. Public Shareholding						
- Number of Shares	8,073,432	8,073,432	8,151,432	8,073,432	8,151,432	8,073,432
- Percentage of Shareholding	55.56%	55.56%	56.09%	55.56%	56.09%	55.56%
2. Promoters and Promoter Group Shareholding						
(a) <u>Pledged / Encumbered</u>						
- Number of Shares	-	-	-	-	-	-
- Percentage of share (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of share (as a % of the total share capital of the company)	-	-	-	-	-	-
(b) <u>Non-encumbered</u>						
- Number of Shares	6,458,727	6,458,727	6,380,727	6,458,727	6,380,727	6,458,727
- Percentage of share (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of share (as a % of the total share capital of the company)	44.44%	44.44%	43.91%	44.44%	43.91%	44.44%
<b>Particulars</b>	<b>Quarter ended 30th September 2014</b>					
<b>B INVESTOR COMPLAINTS</b>						
Pending at the beginning of the quarter		Nil				
Received during the quarter		Nil				
Disposed of during the quarter		Nil				
Remaining unresolved at the end of the quarter		Nil				

## Notes :

- The Company with effect from 1st April 2014 has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to above, depreciation charge for the quarter and half year ended 30th September, 2014 is higher by Rs. 76 Lacs and Rs. 169 Lacs respectively. Further based on transitional provision provided in note 7(b) of Schedule II of the Companies Act, 2013 depreciation of Rs. 266 Lacs and deferred tax of Rs. 90 Lacs have been adjusted to retained earnings.
- The above results were reviewed by the Audit Committee at a meeting held on 29th October 2014 and were approved at the meeting of the Board of Directors held on 29th October 2014.
- Previous period / year figures have been regrouped / reclassified wherever necessary.

Place : Mumbai  
Date : 29th October 2014



For Ion Exchange (India) Limited

*Rajesh Sharma*  
Rajesh Sharma  
Chairman and Managing Director

SIGNED FOR IDENTIFICATION  
BY

*R. H. Shimpelis*

For B S R &amp; CO. LLP

**ION EXCHANGE (INDIA) LIMITED**

Regd. Office : Ion House, Dr. E.Moses Road, Mahalaxmi, Mumbai - 400 011.

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

(Rs. In Lacs)

PARTICULARS	Quarter Ended			Half Year Ended		Year Ended 31.03.2014 Audited
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
<b>1. Segment Revenue</b>						
a) Engineering	9,079	5,363	9,483	14,442	18,163	41,164
b) Chemicals	7,036	5,836	6,023	12,872	11,684	24,849
c) Consumer Products	2,162	1,961	2,368	4,123	4,411	8,561
d) Unallocated	-	-	-	-	-	46
<b>Total</b>	<b>18,277</b>	<b>13,160</b>	<b>17,874</b>	<b>31,437</b>	<b>34,258</b>	<b>74,620</b>
Less : Inter segment revenue	827	770	641	1,597	1,509	3,425
<b>Net Sales / Income from Operations</b>	<b>17,450</b>	<b>12,390</b>	<b>17,233</b>	<b>29,840</b>	<b>32,749</b>	<b>71,195</b>
<b>2. Segment Results [Profit(+)/Loss(-) before tax and interest from segment]</b>						
a) Engineering	229	26	314	255	625	1,696
b) Chemicals	803	857	579	1,660	1,247	3,017
c) Consumer Products	(41)	(77)	22	(118)	74	(106)
<b>Total</b>	<b>991</b>	<b>806</b>	<b>915</b>	<b>1,797</b>	<b>1,946</b>	<b>4,607</b>
Less: i) Finance Cost	276	277	263	553	480	979
ii) Other unallocable expenditure net of unallocable income	314	250	237	564	530	914
Add: Interest Income	142	149	93	291	202	426
<b>Total Profit (+) / Loss (-) Before Taxation</b>	<b>543</b>	<b>428</b>	<b>508</b>	<b>971</b>	<b>1,138</b>	<b>3,140</b>
<b>3. Capital Employed (Segment Assets - Segment Liabilities)</b>						
a) Engineering	8,321	6,023	6,421	8,321	6,421	6,710
b) Chemicals	8,099	8,245	7,592	8,099	7,592	7,441
c) Consumer Products	1,181	1,391	1,300	1,181	1,300	1,481
<b>Total Capital Employed in Segments</b>	<b>17,601</b>	<b>15,659</b>	<b>15,313</b>	<b>17,601</b>	<b>15,313</b>	<b>15,632</b>
Add : Unallocable corporate assets less corporate liabilities	2,966	4,542	3,858	2,966	3,858	4,458
<b>Total Capital Employed in Company</b>	<b>20,567</b>	<b>20,201</b>	<b>19,171</b>	<b>20,567</b>	<b>19,171</b>	<b>20,090</b>

**Notes:**

- 1) Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the Organisation structure as well as the differential risks and returns of these segments.
- 2) Figures for the previous period / year have been regrouped / rearranged wherever necessary.

Place : Mumbai  
Date : 29th October 2014



For Ion Exchange (India) Limited

*Rajesh Sharma*  
Rajesh Sharma

Chairman and Managing Director

SIGNED FOR IDENTIFICATION  
BY

*B. H. Shrivastava*

For B S R & CO. LLP

**ION EXCHANGE (INDIA) LIMITED**  
 Regd. Office : Ion House, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011  
 Statement of Assets and Liabilities as at 30th September 2014

	Rs. in Lacs	
Particulars	As at 30.09.2014 Unaudited	As at 31.03.2014 Audited
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
(a) Share capital	1,453	1,453
(b) Reserves and surplus	19,114	18,637
	20,567	20,090
<b>Non-current liabilities</b>		
(a) Long-term borrowings	392	616
(b) Deferred tax liabilities (Net)	537	677
(c) Other Long term liabilities	680	600
(d) Long-term provisions	626	531
	2,235	2,424
<b>Current liabilities</b>		
(a) Short-term borrowings	6,950	6,219
(b) Trade payables	23,863	26,259
(c) Other current liabilities	4,220	3,715
(d) Short-term provisions	1,456	1,507
	36,489	37,700
<b>TOTAL</b>	59,291	60,214
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Fixed assets	7,240	7,823
(b) Non-current investments	5,211	5,211
(c) Long-term loans and advances	5,475	6,369
(d) Other non-current assets	771	689
	18,697	20,092
<b>Current assets</b>		
(a) Current investments	5	5
(b) Inventories	4,736	4,175
(c) Trade receivables	29,481	29,157
(d) Cash and Bank balances	1,638	1,421
(e) Short-term loans and advances	4,720	5,344
(f) Other current assets	14	20
	40,594	40,122
	59,291	60,214

SIGNED FOR IDENTIFICATION  
BY

*B. H. Shimpale*

For B S R & CO. LLP

Place : Mumbai  
Date : 29th October 2014



For Ion Exchange (India) Limited

*Rajesh Sharma*

Rajesh Sharma  
Chairman and Managing Director