



Ion Exchange (India) Limited

COMPANY BACKGROUND.....

- Ion Exchange (India) Ltd. (ION Exchange) was originally formed as a subsidiary of Permutit, UK in 1964. It became a wholly owned Indian company in 1985.
- 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, wastewater treatment, recycle, zero liquid discharge, sewage treatment, packaged drinking water, sea water desalination etc.
- 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.
- Executing large projects worth USD 194 Mn from National Water Supply and Drainage Board in Sri Lanka & INR 1,000 Crores worth from the UP-State Water & Sanitation Mission.

BUSINESS MIX (as on FY24).....

- **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 (29%):** Provides a comprehensive range of resins, specialty chemicals and customized chemical treatment programs for water, non-water and specialty applications.
- **Consumer Products (11%):** Caters to individuals, hotels, spas, educational institutions, hospitals, laboratories, railway and defense establishments providing safe drinking water and a clean environment.

KEY STRENGTHS.....

- Largest one stop shop water solution's provider in Asia
- Design, Engineering and supply of water, wastewater treatment and recycle plants on turnkey, BOT and EPC basis.
- Global footprint with exports to several African, European and Middle East countries as well as to UK and USA.
- 50 years of pan India presence
- Manufacturer of chemicals and ion exchange resins in ISO 9001, 14001 and OHSAS 18001 certified facilities.
- Marquee clients are Reliance, IOCL, L&T, Taj Hotels, Unilever, Tata Group etc.
- Over 50 patents to credit and 100+ products commercialized

FINANCIAL PERFORMANCE (CONSOLIDATED).....

(INR Mn.)	Op. Income	Op. EBITDA	Op. EBITDA%	PAT	PAT%	EPS
FY22	15,769	2,132	13.52%	1,617	10.25%	13.730
FY23	19,896	2,550	12.82%	1,950	9.80%	16.595
FY24	23,479	2,720	11.58%	1,954	8.32%	16.535
H1-FY25	12,120	1,326	10.94%	954	7.87%	8.089

Note: All numbers are as per IND-AS

Key Data

BSE Code	500214
NSE Code	IONEXCHANG
Reuters	IONX.BO
Bloomberg	ION:IN

Market Data (INR) As on 30th September, 2024

Face Value	1.0
CMP	638.4
52 Week H/L	767.0/407.0
MCAP (Mn.)	93,632.0
Shares O/S (Mn.)	146.7
1 Yr. Avg. Vol. ('000)	460.1

Performance As on 30th September , 2024

	3M	6M	12M
Ion Exch.	8.82%	24.02%	21.66%
SENSEX	6.65%	13.97%	28.09%
BSE SMALLCAP	9.02%	31.18%	51.58%

Shareholding Pattern As on 30th September, 2024

Promoters	25.92%
Employee Trust	16.18%
Mutual Funds	10.86%
FPI	5.43%
AIF	2.35%
Others	39.26%

BUSINESS SEGMENTS.....

Engineering (60%):

- **Projects:** Projects cater to treatment needs of industries such as nuclear and thermal power, fertilizer, refinery, petrochemical, automobile, electronics, paper, textile and chemical.
- **Standard Systems:** Packaged and pre-engineered range - softeners, filters, demineralizers and reverse osmosis systems, Ultra-filtration plants are engineered to meet the exacting process water quality requirements of different industries.
- **Membranes:** Reverse osmosis - Industrial and domestic applications - brackish, Sea & process water and waste water treatment/recycle and drinking water systems.

Chemicals (29%):

- **Resins:** Ion exchange resins are used for softening, demineralization in water treatment. They are also used in various non water separation across many verticals such as pharmaceuticals, biotechnology, food and beverages etc.
- **Industrial Chemicals:** Water treatment chemicals are used in boiler, cooling water treatment, coagulation and flocculation, membrane cleaning etc. They are used to prevent corrosion, scaling, fouling, growth of algae, fungi and bacteria. Non-water or specialty chemicals are used as additives that impart superior qualities in the end product along-with protecting the pre-treatment equipment.

Consumer Products (11%):

- **Water Purifiers:** The company's water and environment management solutions extend beyond the industrial sector to homes, hotels, spas, educational institutions, hospitals, laboratories, realty sector and defence establishments providing safe drinking water and a clean environment. It focuses on household and point of use water purifiers and plans to increase its presence in the rural drinking water treatment. Zero B, the flagship brand of Ion Exchange (India) Ltd., has revolutionized RO technology, in India.

KEY GROWTH DRIVERS.....

- **Engineering:**
 - Increased exposure to international markets.
 - Selectively target Infrastructure and Municipal projects.
 - New Government initiatives resulting in more opportunities.
- **Chemicals:**
 - Export of resins and development of new products for the US & Europe markets.
 - Introduction of new specialty chemicals through inhouse R&D facilities
- **Consumer Products:**
 - Initiation by the government to provide drinking water to every household.

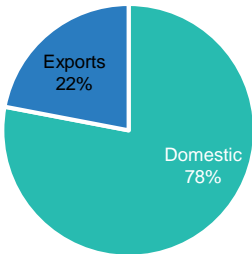
PEER COMPARISON (TRAILING 12 MONTHS) INR MN

Company	Operating Income	Operating EBITDA	Operating EBITDA%	PAT	PAT%	Market Cap
Ion Exchange	25,478	2,951	11.58%	2,151	8.44%	93,632
VA Tech Wabag	29,654	3,893	13.13%	2,658	8.96%	93,792
Thermax	98,841	8,798	8.90%	7,321	7.4%	6,07,512
Triveni Eng.	63,840	5,294	8.29%	3,070	4.81%	1,04,053
Praj Industries	33,625	4,064	12.09%	3,003	8.93%	1,47,179

APPROXIMATE ORDER BOOK & PIPELINE:
Engineering projects^ INR 2,654.38 Cr.
Bid Pipeline INR 8,695 Cr.
Outstanding UP SWSM & Delhi Jal Nigam ~ INR 752.01 Cr.
Outstanding Sri Lanka ~ INR 174.06 Cr.
Total Orderbook ~ INR 3,580.45 Cr.

^Excluding Sri Lanka Order, UP SWSM

Consolidated Geographical Sales (FY24)



Segmental Revenue & EBIT (%) As on H1-FY25		
Segments	Operating Income (Mn)	EBIT Margins (%)
Engineering	7,184	5.89%
Chemicals	3,962	25.74%
Consumers	660	(5.11)%

INCOME STATEMENT (CONSOLIDATED)

INCOME STATEMENT (INR MN)	FY22	FY23	FY24	H1-FY25
Operating Income	15,769	19,896	23,479	12,120
Expenses	13,637	17,346	20,759	10,794
Operating EBITDA	2,132	2,550	2,270	1,326
Operating EBITDA Margins (%)	13.52%	12.82%	11.58%	10.94%
Depreciation	280	291	364	213
Finance Cost	100	92	121	66
Other Income	417	411	439	254
PBT	2,169	2,578	2,674	1,301
Share of Profit of equity accounted Investee	4	9	15	5
Tax	556	637	735	352
Profit After Tax	1,617	1,950	1,954	954
PAT Margins (%)	10.25%	9.80%	8.32%	7.87%
Other Comprehensive Income	(10)	(17)	(3)	(2)
Total Comprehensive Income	1,607	1,933	1,951	956
EPS Diluted (INR) @	13.730	16.595	16.534	8.089

@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)

BALANCE SHEET (CONSOLIDATED) (IND-AS).....

PARTICULARS (INR MN)	FY23	FY24	H1-FY25	PARTICULARS (INR MN)	FY23	FY24	H1-FY25
EQUITIES & LIABILITIES				ASSETS			
Equity				Non-Current Assets			
(A) Equity Share Capital	142	142	142	(A) Property, Plant and Equipment	1,707	3,018	3,062
(B) Other Equity	8,193	10,037	10,818	(B) Capital Work-in-progress	420	607	1,332
Equity attributable to owners	8,335	10,179	10,960	(C) Right-of-Use Assets	343	383	428
Non Controlling Interest	23	19	16	(C) Other Intangible Assets	18	162	182
Total Equity	8,358	10,198	10,976	(D) Goodwill	86	102	102
Non-Current Liabilities				(E) Investment accounted using Equity Method	48	62	68
(A) Financial Liabilities				(F) Financial Assets			
(i) Borrowings	157	1,091	1,526	(i) Investments	47	55	56
(ii) Lease liabilities	34	110	157	(ii) Trade Receivables	45	42	9
(iii) Other Financial Liabilities	87	146	135	(iii) Other Financial Assets	155	158	145
(B) Provisions	239	261	262	(G) Deferred Tax Assets (Net)	116	85	94
(C) Deferred Tax Liabilities (Net)	8	93	93	(H) Other Non-Current Assets	120	308	624
(D) Other Non-Current Liabilities	5	4	4	(I) Non-Current Tax Assets	18	6	7
Total Non – Current Liabilities	530	1,705	2,177	Total Non – Current Assets	3,123	4,988	6,109
Current Liabilities				Current Assets			
(A) Financial Liabilities				(A) Inventories	2,223	2,365	2,963
(i) Borrowings	368	285	420	(B) Financial Assets			
(ii) Lease liabilities	33	38	54	(i) Investments	3	5	5
(iii) Trade Payables	5,513	6,946	6,660	(ii) Trade Receivables	6,968	9,348	9,816
(iv) Other Financial Liabilities	404	633	644	(iii) Cash & Cash Equivalents	1,754	1,536	1,111
(B) Other Current Liabilities	4,071	4,545	5,066	(iv) Bank Balances	3,726	4,343	3,791
(C) Provisions	66	84	139	(v) Loans	152	79	99
(D) Liabilities for current tax (Net)	59	60	110	(vi) Other Financial Assets	151	160	108
Total Current Liabilities	10,514	12,591	13,093	(C) Current Tax Assets (Net)	0	11	3
GRAND TOTAL - EQUITIES & LIABILITIES	19,402	24,494	26,246	(D) Other Current Assets	1,302	1,659	2,241
				Total Current Assets	16,279	19,506	20,137
				GRAND TOTAL – ASSETS	19,402	24,494	26,246

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