



## 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    |
|----------------|------------|------------|-------------|-------|--------|--------|
| <b>FY22</b>    | 15,769     | 2,132      | 13.52%      | 1,617 | 10.25% | 13.730 |
| <b>FY23</b>    | 19,896     | 2,550      | 12.82%      | 1,950 | 9.80%  | 16.595 |
| <b>FY24</b>    | 23,479     | 2,720      | 11.58%      | 1,954 | 8.32%  | 16.534 |
| <b>9M-FY25</b> | 19,026     | 2,080      | 10.93%      | 1,450 | 7.62%  | 12.185 |

Note: All numbers are as per IND-AS

#### Key Data

|                  |            |
|------------------|------------|
| <b>BSE Code</b>  | 500214     |
| <b>NSE Code</b>  | IONEXCHANG |
| <b>Reuters</b>   | IONX.BO    |
| <b>Bloomberg</b> | ION:IN     |

#### Market Data (INR) As on 31st December, 2024

|                               |             |
|-------------------------------|-------------|
| <b>Face Value</b>             | 1.0         |
| <b>CMP</b>                    | 657.2       |
| <b>52 Week H/L</b>            | 767.0/407.0 |
| <b>MCAP (Mn.)</b>             | 96,381.9    |
| <b>Shares O/S (Mn.)</b>       | 146.7       |
| <b>1 Yr. Avg. Vol. ('000)</b> | 449.6       |

#### Performance As on 31st December, 2024

|                     | 3M      | 6M      | 12M    |
|---------------------|---------|---------|--------|
| <b>Ion Exchange</b> | 3.49%   | 12.02%  | 14.66% |
| <b>SENSEX</b>       | (7.26)% | (1.14)% | 8.20%  |
| <b>BSE SMALLCAP</b> | (3.46)% | 5.30%   | 28.76% |

#### Shareholding Pattern As on 31st December, 2024

|                       |       |
|-----------------------|-------|
| <b>Promoters</b>      | 25.8% |
| <b>Employee Trust</b> | 16.2% |
| <b>Mutual Funds</b>   | 11.1% |
| <b>FPI</b>            | 5.8%  |
| <b>AIF</b>            | 2.4%  |
| <b>Others</b>         | 38.7% |

**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.

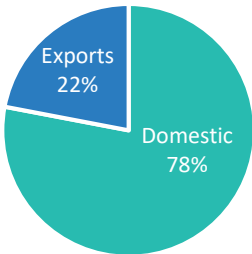
**KEY GROWTH DRIVERS.....**

- **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.

|  |
|--|
| APPROXIMATE ORDER BOOK & PIPELINE:                     |
| Engineering projects^<br>INR 2,512 Cr.                 |
| Bid Pipeline<br>INR 8,648 Cr.                          |
| Outstanding UP SWSM & Delhi Jal Nigam<br>~ INR 719 Cr. |
| Outstanding Sri Lanka<br>~ INR 174 Cr.                 |
| Total Orderbook<br>~ INR 3,405 Cr.                     |

*^Excluding Sri Lanka Order, UP SWSM*

**Consolidated Geographical Sales (FY24)**



| Segmental Revenue & EBIT (%)<br>As on 9M-FY25 |                       |                  |
|---|-----------------------|------------------|
| Segments                                      | Operating Income (Mn) | EBIT Margins (%) |
| Engineering                                   | 11,485                | 5.91%            |
| Chemicals                                     | 5,956                 | 25.91%           |
| Consumers                                     | 2,123                 | (4.62)%          |

**PEER COMPARISON (TRAILING 12 MONTHS) INR MN .....**

| Company         | Operating Income | Operating EBITDA | Operating EBITDA% | PAT   | PAT%  | Market Cap |
|-----------------|------------------|------------------|-------------------|-------|-------|------------|
| Ion Exchange    | 26,844           | 3,002            | 11.18%            | 2,175 | 8.10% | 96,382     |
| VA Tech Wabag   | 30,720           | 3,908            | 12.72%            | 2,734 | 8.90% | 1,02,188   |
| Thermax         | 1,00,675         | 8,814            | 8.75%             | 6,087 | 6.05% | 4,82,905   |
| Triveni Eng.    | 64,307           | 4,135            | 6.43%             | 2,122 | 3.30% | 99,183     |
| Praj Industries | 33,869           | 3,816            | 11.27%            | 2,710 | 8.00% | 1,51,030   |

INCOME STATEMENT (CONSOLIDATED) .....

| INCOME STATEMENT (INR MN)                    | FY22   | FY23   | FY24   | 9M-FY25 |
|--|--------|--------|--------|---------|
| Operating Income                             | 15,769 | 19,896 | 23,479 | 19,026  |
| Expenses                                     | 13,637 | 17,346 | 20,759 | 16,946  |
| Operating EBITDA                             | 2,132  | 2,550  | 2,270  | 2,080   |
| Operating EBITDA Margins (%)                 | 13.52% | 12.82% | 11.58% | 10.93%  |
| Depreciation                                 | 280    | 291    | 364    | 327     |
| Finance Cost                                 | 100    | 92     | 121    | 99      |
| Other Income                                 | 417    | 411    | 439    | 338     |
| PBT  | 2,169  | 2,578  | 2,674  | 1,992   |
| Share of Profit of equity accounted Investee | 4      | 9      | 15     | 11      |
| Tax  | 556    | 637    | 735    | 553     |
| Profit After Tax                             | 1,617  | 1,950  | 1,954  | 1,450   |
| PAT Margins (%)                              | 10.25% | 9.80%  | 8.32%  | 7.62%   |
| Other Comprehensive Income                   | (10)   | (17)   | (3)    | (7)     |
| Total Comprehensive Income                   | 1,607  | 1,933  | 1,951  | 1,443   |
| EPS Diluted (INR) @                          | 13.730 | 16.595 | 16.534 | 12.185  |

@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)

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)                 | -      | 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  |

| Name              | Designation  | Email                      | Phone            |
|-------------------|--------------|----------------------------|------------------|
| Anuj Sonpal       | CEO          | anuj@valoremadvisors.com   | +91-22-4903-9500 |
| Sumeet Singhaniya | Lead Manager | Sumeet@valoremadvisors.com | +91-22-4903-9500 |

**Valorem Advisors Disclaimer:**

Valorem Advisors is an Independent Investor Relations Management Service company. This factsheet 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.

**Ion Exchange (India) Limited Disclaimer:**

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) Ltd. 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 document is confidential and may not be copied or disseminated, in whole or in part, and in any manner.