

**AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED
MARCH 31, 2010**

(Rs. in lacs)

| Particulars | AUDITED STANDALONE | |
|---|-----------------------|-----------------------|
| | Year Ended 31.03.2010 | Year Ended 31.03.2009 |
| 1. a) Sales / Income from Operations | 51,357 | 44,525 |
| Less : Excise Duty | 1,329 | 1,826 |
| Net Sales / Income from Operations | 50,028 | 42,699 |
| b) Other Operating Income | 106 | 605 |
| | 50,134 | 43,304 |
| 2. Expenditure | | |
| a) (Increase) / Decrease in Stock-in-Trade and Work-in-Progress | (239) | (271) |
| b) Consumption of Raw Materials | 33,698 | 28,362 |
| c) Purchase of Traded Goods | 1,872 | 1,786 |
| d) Employees Cost | 4,622 | 4,104 |
| e) Travelling Expenses | 1,339 | 1,311 |
| f) Depreciation | 582 | 542 |
| g) Other Expenditure | 6,703 | 6,422 |
| Total | 48,577 | 42,256 |
| 3. Profit from Operations before Other Income and Interest (1-2) | 1,557 | 1,048 |
| 4. Other Income | 377 | 344 |
| 5. Profit before Interest (3+4) | 1,934 | 1,392 |
| 6. Interest | 913 | 1,018 |
| 7. Profit Before Taxation (5-6) | 1,021 | 374 |
| 8. Provision for Taxation (Includes Deferred Tax and Fringe Benefit Tax) | 360 | 230 |
| 9. Net Profit after Taxation (7-8) | 661 | 144 |
| 10. Paid up Equity Share Capital [Face Value - Rs.10 per share] | 1,273 | 1,269 |
| 11. Reserves excluding Revaluation Reserves | 12,166 | 11,581 |
| 12. Basic and diluted EPS for the period and for the previous year | | |
| - Basic EPS (Rs.) | 5.20 | 1.13 |
| - Diluted EPS (Rs.) | 4.85 | 1.11 |
| 13. Public Shareholding | | |
| - Number of Shares | 7,624,014 | 7,610,618 |
| - Percentage of Shareholding | 59.91% | 59.96% |
| 14. Promoters and Promoter Group Shareholding | | |
| (a) Pledged / Encumbered | | |
| - Number of Shares | - | - |
| - Percentage of share (as % of the total shareholding of promoter and promoter group) | - | - |
| - Percentage of share (as % of the total share capital of the company) | - | - |
| (b) Non-encumbered | | |
| - Number of Shares | 5,101,847 | 5,081,843 |
| - Percentage of share (as % of the total shareholding of promoter and promoter group) | 100.00% | 100.00% |
| - Percentage of share (as % of the total share capital of the company) | 40.09% | 40.04% |

Notes to Standalone Financial Results:

- The Board of Directors has recommended 15% dividend for the year 2009-10.
- The remuneration to the Executive Directors for the year ended March 31, 2010 has exceeded the limit prescribed under the Companies Act, 1956. The Company has filed an application with the Central Government for approval of the remuneration to be paid to the Executive Directors in excess of the limits prescribed by the Companies Act. The excess remuneration paid to the Executive Directors for the year ended March 31, 2010 amounts to Rs. 82 Lacs.
- During the year ended March 31, 2010, 13,000 shares have been allotted pursuant to Employees' Stock Option Scheme - ESOS 2005 and 20,400 shares have been allotted pursuant to Employees' Stock Option Scheme ESOS 2008.
- Investors Complaints Status**

| | |
|-----------------------|-----|
| As at January 1, 2010 | Nil |
| Complaints Received | Nil |
| Complaints Redressed | Nil |
| As at March 31, 2010 | Nil |
- The above results were reviewed by the Audit Committee at a meeting held on May 24, 2010 and were approved at the meeting of the Board of Directors held on May 24, 2010.
- Figures for the previous period / year have been regrouped / rearranged wherever necessary.

**AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED
MARCH 31, 2010**

(Rs. in lacs)

| Particulars | AUDITED CONSOLIDATED | |
|---|-----------------------|-----------------------|
| | Year Ended 31.03.2010 | Year Ended 31.03.2009 |
| 1. a) Sales / Income from Operations | 53,605 | 51,149 |
| Less : Excise Duty | 1,329 | 1,826 |
| Net Sales / Income from Operations | 52,276 | 49,323 |
| b) Other Operating Income | 156 | 666 |
| | 68 | 72 |
| 2. Share of Earnings of Associates (Net) | | |
| 3. Total Income (1+2) | 52,500 | 50,061 |
| 4. Expenditure | | |
| a) (Increase) / Decrease in Stock-in-Trade and Work-in-Progress | (521) | (132) |
| b) Consumption of Raw Materials | 34,258 | 33,125 |
| c) Purchase of Traded Goods | 1,872 | 1,786 |
| d) Employees Cost | 5,306 | 4,630 |
| e) Travelling Expenses | 1,588 | 1,532 |
| f) Depreciation | 640 | 587 |
| g) Other Expenditure | 7,587 | 7,134 |
| Total | 50,730 | 48,662 |
| 5. Profit from Operations before Other Income and Interest (3-4) | 1,770 | 1,399 |
| 6. Other Income | 325 | 360 |
| 7. Profit before Interest (5+6) | 2,095 | 1,759 |
| 8. Interest | 986 | 1,069 |
| 9. Profit Before Taxation (7-8) | 1,109 | 690 |
| 10. Provision for Taxation (Includes Deferred Tax and Fringe Benefit Tax) | 545 | 404 |
| 11. Net profit before Minority Interest (9-10) | 564 | 286 |
| 12. Minority Interest | 152 | 121 |
| 13. Net Profit after Minority Interest (11-12) | 412 | 165 |
| 14. Paid up Equity Share Capital [Face Value - Rs.10 per share] | 1,240 | 1,236 |
| 15. Reserves excluding Revaluation Reserves | 10,831 | 10,494 |
| 16. Basic and diluted EPS for the period and for the previous year | | |
| - Basic EPS (Rs.) | 3.33 | 1.33 |
| - Diluted EPS (Rs.) | 3.10 | 1.31 |
| 17. Public Shareholding | | |
| - Number of Shares | 7,624,014 | 7,610,618 |
| - Percentage of Shareholding | 61.49% | 61.55% |
| 18. Promoters and Promoter Group Shareholding | | |
| (a) Pledged / Encumbered | | |
| - Number of Shares | - | - |
| - Percentage of share (as % of the total shareholding of promoter and promoter group) | - | - |
| - Percentage of share (as % of the total share capital of the company) | - | - |
| (b) Non-encumbered | | |
| - Number of Shares | 4,773,947 | 4,753,943 |
| - Percentage of share (as % of the total shareholding of promoter and promoter group) | 100.00% | 100.00% |
| - Percentage of share (as % of the total share capital of the company) | 38.51% | 38.45% |

Notes to Consolidated Financial Results:

- The Consolidated Results include the results of its Subsidiaries - Watercare Investments (India) Limited, Aqua Investments (India) Limited, Ion Exchange Enviro Farms Limited (IEEFL), Ion Exchange Infrastructure Limited, IEI Environmental Management (M) Sdn. Bhd., Ion Exchange Asia Pacific Pte. Ltd. (Consolidated), Ion Exchange Environment Management (BD) Limited, Ion Exchange LLC and Ion Exchange and Company LLC.
- The Auditors have commented on maintenance expenses recoverable in the books of IEEFL which mainly represents maintenance expenses incurred on sites sold under the scheme, which are as per the terms of agreement with the customers and are recoverable from future income generated by sale of inter-crop and main crop. As at year end Rs. 480 Lacs (net of provision) is recoverable from the customers. The recovery is contingent on returns from farm activities. The management expects improved future returns from main crop toward these dues, hence no additional provision is considered necessary.
- In response to the SEBI (Collective Investment Schemes) Regulations, 1999 (the "Guidelines"), IEEFL had applied for registration to SEBI. In response, SEBI had granted provisional registration subject to certain conditions. The provisional registration was subsequently extended and expired in 2003. IEEFL applied to SEBI seeking exemptions from provisions of the regulations, because it was not able to comply with certain requirements of SEBI (CIS) Regulations, 1999. SEBI did not grant exemption and called upon IEEFL to show cause why the provisional registration granted to it should not be revoked. After hearing IEEFL's submission, SEBI vide order dated November 27, 2003 directed IEEFL to wind up the scheme and refund the monies with returns to investors. Against the aforesaid order, IEEFL filed an appeal before Securities Appellate Tribunal (SAT) which vide its order pronounced on May 5, 2006 upheld that SEBI order in so far as it relates to refund the monies along with the return to the investors by IEEFL and to wind up of the scheme. IEEFL has filed appeal against the order of SAT in Hon'ble Supreme Court of India on July 4, 2006. The Supreme Court has admitted the appeal. IEEFL has been legally advised that it has got a fair chance of successfully contesting the appeal. Consequently no provision has been considered necessary for liability, if any, that may arise, pending the final disposition of appeal by Hon'ble Supreme Court of India. In the month of March 2008, the matter was listed for filing reply by SEBI. SEBI did not file their reply and asked for time. The matter was adjourned thereafter.
- Figures for the previous year have been regrouped / rearranged wherever necessary.

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

(Rs. in lacs)

| Particulars | AUDITED STANDALONE | | AUDITED CONSOLIDATED | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | Year Ended 31.03.2010 | Year Ended 31.03.2009 | Year Ended 31.03.2010 | Year Ended 31.03.2009 |
| 1. Segment Revenue | | | | |
| a) Engineering | 32,732 | 25,850 | 34,426 | 32,316 |
| b) Chemicals | 12,034 | 11,920 | 12,542 | 12,183 |
| c) Consumer Products | 7,075 | 6,797 | 7,116 | 6,782 |
| d) Others | - | - | 41 | 10 |
| e) Unallocated | 258 | 305 | 222 | 205 |
| Total | 52,099 | 44,872 | 54,347 | 51,496 |
| Less: Inter segment revenue | 2,071 | 2,173 | 2,071 | 2,173 |
| Net Sales / Income from Operations | 50,028 | 42,699 | 52,276 | 49,323 |
| 2. Segment Results [Profit(+)/Loss(-) before tax and interest from segment] | | | | |
| a) Engineering | 274 | 245 | 710 | 992 |
| b) Chemicals | 1,994 | 1,473 | 1,786 | 1,257 |
| c) Consumer Products | (21) | (80) | (12) | (117) |
| d) Others | - | - | (8) | (21) |
| Total | 2,247 | 1,638 | 2,476 | 2,111 |
| Less: | | | | |
| i. Interest Expenses | 913 | 1,018 | 986 | 1,069 |
| ii. Other unallocable expenditure net of unallocable income | 436 | 350 | 426 | 390 |
| Add: Interest Income | 123 | 104 | 45 | 38 |
| Total Profit Before Taxation | 1,021 | 374 | 1,109 | 690 |
| 3. Capital Employed (Segment Assets - Segment Liabilities) | | | | |
| a) Engineering | 5,159 | 6,458 | 5,992 | 7,316 |
| b) Chemicals | 5,354 | 5,294 | 5,198 | 5,218 |
| c) Consumer Products | 1,492 | 1,762 | 1,497 | 1,767 |
| d) Others | - | - | 1,034 | 942 |
| Total Capital Employed in Segments | 12,005 | 13,514 | 13,721 | 15,243 |
| Add: Unallocable corporate assets | | | | |
| less corporate liabilities | 1,445 | (652) | (1,639) | (3,501) |
| Total Capital Employed in Company | 13,450 | 12,862 | 12,082 | 11,742 |

Notes:

- 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.
- Figures for the the previous period / year have been regrouped / rearranged wherever necessary.

**STATEMENT OF ASSETS
AND LIABILITIES AS AT
MARCH 31, 2010**

(Rs. in lacs)

| Particulars | AUDITED STANDALONE | | AUDITED CONSOLIDATED | |
|---|--------------------|---------------|----------------------|---------------|
| | 31.03.2010 | 31.03.2009 | 31.03.2010 | 31.03.2009 |
| Shareholders' Fund | | | | |
| (a) Capital | 1,273 | 1,269 | 1,240 | 1,236 |
| (b) Reserves & Surplus | 12,177 | 11,593 | 10,842 | 10,506 |
| Minority Interest | - | - | 447 | 305 |
| Loan Funds | 5,069 | 7,886 | 5,905 | 8,280 |
| Deferred Tax Liability | 359 | 334 | 370 | 342 |
| Total | 18,878 | 21,082 | 18,804 | 20,669 |
| Fixed Assets | 5,884 | 6,419 | 6,855 | 6,724 |
| Investments | 2,544 | 1,024 | 434 | 339 |
| Current Assets, Loans And Advances | | | | |
| (a) Inventories | 3,935 | 3,760 | 4,850 | 4,393 |
| (b) Sundry Debtors | 23,956 | 21,296 | 24,777 | 23,090 |
| (c) Cash and Bank Balances | 998 | 575 | 1,799 | 1,329 |
| (d) Other Current Assets | 28 | 25 | 31 | 32 |
| (e) Loans and Advances | 6,357 | 8,127 | 7,571 | 8,016 |
| | 35,274 | 33,783 | 39,028 | 36,860 |
| Less: Current Liabilities And Provisions | | | | |
| (a) Current Liabilities | 24,146 | 19,575 | 26,827 | 22,678 |
| (b) Provisions | 678 | 569 | 686 | 576 |
| | 24,824 | 20,144 | 27,513 | 23,254 |
| Net Current Assets | 10,450 | 13,639 | 11,515 | 13,606 |
| Total | 18,878 | 21,082 | 18,804 | 20,669 |

For Ion Exchange (India) Limited

Place : Mumbai
Date : May 24, 2010

Rajesh Sharma
Vice Chairman and Managing Director



Zero B Intello



Zero B Sapphire

ZERO B From the house of
PURE WATER SOLUTIONS **Ion Exchange (India) Ltd.**