

ION EXCHANGE

THE POWER BEHIND WATER (INDIA) LTD

Total Environment Solutions
 Regd. Office : Ion House, Dr. E. Moses Road, Mahalaxmi, Mumbai-400 011
 Visit us at www.ionindia.com

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2011

(Rs. in lacs)

Particulars	AUDITED STANDALONE	
	Year Ended 31.03.2011	Year Ended 31.03.2010
1. a) Sales / Income from Operations	59,051	51,357
Less : Excise Duty	1,982	1,329
Net Sales / Income from Operations	57,069	50,028
b) Other Operating Income	232	106
	57,301	50,134
2. Expenditure		
a) (Increase) / Decrease in Stock-in-Trade and Work-in-Progress	232	(239)
b) Consumption of Raw Materials	38,556	33,698
c) Purchase of Traded Goods	2,494	1,872
d) Employees Cost	5,324	4,622
e) Travelling Expenses	1,656	1,339
f) Depreciation	600	582
g) Other Expenditure	6,595	6,703
Total	55,457	48,577
3. Profit from Operations before Other Income and Interest (1-2)	1,844	1,557
4. Other Income	692	377
5. Profit before Interest (3+4)	2,536	1,934
6. Interest	596	913
7. Profit Before Taxation (5-6)	1,940	1,021
8. Provision for Taxation (Includes Deferred Tax)	727	360
9. Net Profit after Taxation (7-8)	1,213	661
10. Paid up Equity Share Capital [Face Value - Rs.10 per share]	1,343	1,273
11. Reserves excluding Revaluation Reserves	13,381	12,166
12. Basic and diluted EPS for the period and for the previous year		
- Basic EPS (Rs.)	9.13	5.20
- Diluted EPS (Rs.)	8.69	4.85
13. Public Shareholding		
- Number of Shares	7,908,518	7,624,014
- Percentage of Shareholding	58.90%	59.91%
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	5,517,393	5,101,847
- 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)	41.10%	40.09%

Notes:

- The Board of Directors has recommended 20% dividend for the year 2010-11.
- The Board of Directors of the Company at their meeting held on Feb 22, 2011, have, subject to the approval of the shareholders, accorded their approval for the proposal to transfer its Project Division (covering domestic turnkey projects) as a going concern under a 'Slump Sale' basis to Ion Exchange Projects and Engineering Limited, a wholly owned subsidiary company being incorporated. Subsequent to the above, on April 11, 2011, the Company has received approval of the shareholders for the transfer of the Project Division (covering domestic turnkey projects) by way of postal ballot. The Company is in the process of completing all the necessary formalities for the above mentioned transfer. The Project Division is being reported as a part of Engineering segment under Segment disclosures.
- During the year ended March 31, 2011, 5,000 shares have been allotted pursuant to Employees' Stock Option Scheme ESOS 2001, 13,500 shares have been allotted pursuant to Employees' Stock Option Scheme ESOS 2005 and 681,550 shares have been allotted pursuant to Employees' Stock Option Scheme ESOS 2008.
- The remuneration paid to the Executive Directors is in excess of the limits specified in Schedule XIII of the Companies Act by Rs. 251 Lacs for which steps have been taken by the Company to obtain Central Government approval.
- Investors' Complaints Status
 As at January 1, 2011 Nil
 Complaints Received Nil
 Complaints Redressed Nil
 As at March 31, 2011 Nil
- The above results were reviewed by the Audit Committee at a meeting held on May 27, 2011 and were approved at the meeting of the Board of Directors held on May 27, 2011.
- Figures for the previous year have been regrouped / rearranged wherever necessary.

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2011

(Rs. in lacs)

Particulars	AUDITED CONSOLIDATED	
	Year Ended 31.03.2011	Year Ended 31.03.2010
1. a) Sales / Income from Operations	62,665	53,605
Less : Excise Duty	1,982	1,329
Net Sales / Income from Operations	60,683	52,276
b) Other Operating Income	284	156
	48	68
2. Share of Earnings of Associates (Net)		
3. Total Income (1+2)	61,015	52,500
4. Expenditure		
a) (Increase) / Decrease in Stock-in-Trade and Work-in-Progress	(624)	(521)
b) Consumption of Raw Materials	40,973	34,258
c) Purchase of Traded Goods	2,494	1,872
d) Employees Cost	6,400	5,306
e) Travelling Expenses	1,991	1,588
f) Depreciation	685	640
g) Other Expenditure	7,462	7,587
Total	59,381	50,730
5. Profit from Operations before Other Income and Interest (3-4)	1,634	1,770
6. Other Income	648	325
7. Profit before Interest (5+6)	2,282	2,095
8. Interest	682	986
9. Profit Before Taxation (7-8)	1,600	1,109
10. Provision for Taxation (Includes Deferred Tax)	743	545
11. Net profit before Minority Interest (9-10)	857	564
12. Minority Interest	20	152
13. Net Profit after Minority Interest (11-12)	837	412
14. Paid up Equity Share Capital [Face Value - Rs.10 per share]	1,310	1,240
15. Reserves excluding Revaluation Reserves	11,843	10,831
16. Basic and diluted EPS for the period and for the previous year		
- Basic EPS (Rs.)	6.46	3.33
- Diluted EPS (Rs.)	6.14	3.10
17. Public Shareholding		
- Number of Shares	7,908,518	7,624,014
- Percentage of Shareholding	60.38%	61.49%
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	5,189,493	4,773,947
- 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)	39.62%	38.51%

Notes:

- 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 WTS (Bangladesh) 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. 437 Lacs 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 presently no 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 27th November, 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 5th May, 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 4th July, 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 its reply and asked for time. The matter was adjourned thereafter, SEBI has since filed their reply and the matter will come up for hearing in due course.
- 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 31.03.2011	Year Ended 31.03.2010	Year Ended 31.03.2011	Year Ended 31.03.2010
1. Segment Revenue				
a) Engineering	36,195	32,732	39,509	34,426
b) Chemicals	15,091	12,034	15,304	12,542
c) Consumer Products	8,176	7,075	8,210	7,116
d) Others	-	-	53	41
e) Unallocated	315	258	315	222
Total	59,777	52,099	63,391	54,347
Less : Inter segment revenue	2,708	2,071	2,708	2,071
Net Sales / Income from Operations	57,069	50,028	60,683	52,276
2. Segment Results [Profit(+)/Loss(-) before tax and interest from segment]				
a) Engineering	544	274	526	710
b) Chemicals	1,778	1,994	1,508	1,786
c) Consumer Products	62	(21)	67	(12)
d) Others	-	-	47	(8)
Total	2,384	2,247	2,148	2,476
Less:				
i) Interest Expenses	596	913	682	986
ii) Other unallocable expenditure net of unallocable income	1	436	(91)	426
Add: Interest Income	153	123	43	45
Total Profit (+) / Loss (-) Before Taxation	1,940	1,021	1,600	1,109
3. Capital Employed (Segment Assets - Segment Liabilities)				
a) Engineering	4,914	5,159	6,618	5,992
b) Chemicals	5,114	5,354	4,394	5,198
c) Consumer Products	1,205	1,492	1,195	1,497
d) Others	-	-	916	1,034
Total Capital Employed in Segments	11,233	12,005	13,123	13,721
Add: Unallocable corporate assets less corporate liabilities	3,501	1,445	41	(1,639)
Total Capital Employed in Company	14,734	13,450	13,164	12,082

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 previous period / year have been regrouped / rearranged wherever necessary.

STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2011

(Rs. in lacs)

Particulars	AUDITED STANDALONE		AUDITED CONSOLIDATED	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Shareholders' Fund				
(a) Capital	1,343	1,273	1,310	1,240
(b) Reserves & Surplus	13,391	12,177	11,854	10,842
Minority Interest	-	-	447	447
Loan Funds	3,976	5,069	4,738	5,905
Deferred Tax Liability	451	359	463	370
Total	19,161	18,878	18,812	18,804
Fixed Assets	5,830	5,884	6,958	6,855
Investments	2,994	2,544	465	434
Current Assets, Loans And Advances				
(a) Inventories	3,842	3,935	5,610	4,850
(b) Sundry Debtors	26,556	23,956	26,908	24,777
(c) Cash and Bank Balances	1,687	998	3,071	1,799
(d) Other Current Assets	20	28	23	31
(e) Loans and Advances	5,973	6,357	7,174	7,571
Total	38,078	35,274	42,786	39,028
Less: Current Liabilities And Provisions				
(a) Current Liabilities	26,765	24,146	30,494	26,827
(b) Provisions	976	678	903	686
Total	27,741	24,824	31,397	27,513
Net Current Assets	10,337	10,450	11,389	11,515
Total	19,161	18,878	18,812	18,804

For Ion Exchange (India) Limited

Place : Mumbai
Date : May 27, 2011

Rajesh Sharma
Vice Chairman and Managing Director



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PURE WATER SOLUTIONS
Ion Exchange (India) Ltd.