

August 14, 2024

To

BSE Limited

The Corporate Relationship Dept.
P.J. Towers, Dalal Street
Mumbai-400 001
Scrip Code: 500214

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block- G,
Bandra Kurla Complex, Bandra (East),
Mumbai-400 051
Symbol: IONEXCHANG

Subject: 60th Annual Report for the Financial year 2023-24

Dear Sir/Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for the year ended 31st March, 2024 containing Notice of the 60th Annual General Meeting (AGM) scheduled to be held on Wednesday, 11th September, 2024 at 11.00 a.m. through Video Conference/ Other Audio-Visual Means (OAVM), in accordance, with various circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The Annual Report along with the Notice of AGM is uploaded on the website of Company at www.ionexchange.global.com.

Please take the same on record.

Yours faithfully,

For Ion Exchange (India) Limited

Milind Puranik

Company Secretary & Compliance Officer

ACS-4824

Encl: As stated above

A bond that goes back 60 years...
A commitment that will continue for a Lifetime...





Late Mr. Gopal Shankar Ranganathan
Founder and Chairman Emeritus



Mr. Rajesh Sharma
Chairman & Managing Director

Our continued commitment to deliver excellence in offering Total Water and Environment Management Solutions to industries, institutions, homes and communities has driven us to constantly innovate and enhance our services, ensuring that we not only meet but exceed our clients' expectations over the last 6 decades with our glorious achievements!

Listed on Bombay Stock
Exchange, India



Largest High Rate Clarifier,
PT RAPP, Indonesia



Membrane Manufacturing
Unit, Verna, Goa



1960-70

1980-90

2000-10

2023-24

1970-80

1990-20

2010-20



Chemical Manufacturing unit,
Ambarnath, Maharashtra



Fabrication and Assembly
Unit, Hosur, Tamil Nadu



Polymer Manufacturing Unit,
Patancheru, Telangana



Acquisition of Portugal based
company-Mapril, Europe

Ion Exchange at 60: Reflecting on Our Legacy and Looking Ahead to New Horizons

As we celebrate the 60th anniversary of Ion Exchange, I have immense sense of pride and gratitude for the journey we have undertaken together. This milestone is a testament to our longevity and a reflection of our commitment to excellence, innovation and sustainability.

Over the past six decades, Ion Exchange has evolved into a global leader in water and environmental management solutions. Our achievements are numerous, but what stands out most is steadfast dedication to the mission of providing safe, clean water and sustainable environmental solutions to industries and communities around the world.

Our success is driven by innovative products and services that meet the diverse needs of clients. We have expanded our footprint across continents, providing integrated solutions that address critical water and environmental challenges. To meet customer needs, we established factories, sales offices, dealers and service networks worldwide, expanding our global presence in sales, production and service. Our robust portfolio of technologies and services has earned us the trust of our clients and partners, enabling us to forge long-lasting relationships of trust and drive impactful change.

At Ion Exchange, we understand our crucial role in safeguarding the environment. Environmental sustainability is at the core of everything we do. We are dedicated to reduce our carbon footprint, enhance resource efficiency and promote circular economy practices. In the past year, we have launched several initiatives to achieve our environmental goals. From developing energy-efficient water treatment systems to investing in renewable energy sources, we actively contribute to a greener, more sustainable future.

Innovation has always been the cornerstone of our success. We continually invest in research and development to stay at the forefront of technological advancements. Our R&D centers are hubs of creativity and ingenuity, where our talented teams work tirelessly to develop cutting-edge solutions that address the evolving needs of our clients. Our focus on customer satisfaction, innovation and service now extends to urban, municipal and rural infrastructure for drinking water and sanitation. Our patented innovations like Electro Sanitizing Systems (ESS) and High Recovery RO (HRR) ensure pure and safe water while pioneering hydrogen and alkaline home water solutions for a healthier lifestyle.

This year, we have made significant strides in leveraging digital technologies to enhance our service offerings. Our focus on smart water management solutions, IoT-enabled systems and real time data analytics has revolutionized how we approach water treatment and environmental management. These innovations improve operational efficiency and provide our clients with actionable insights for better decision-making.

As we look to the future, our focus remains on sustainable growth, innovation and environmental stewardship. We will continue to invest in our people, technologies and processes to drive excellence and deliver value to our stakeholders. Our vision for the next decade is to build on our legacy of trust and reliability while pushing the boundaries of what is possible in water and environmental management in India and geographies we serve.

In closing, I would like to express my heartfelt gratitude to our shareholders, clients, partners and employees for their loyal support and trust in Ion Exchange. Together, we will continue to create a sustainable and prosperous future for all.

BOARD OF DIRECTORS

Mr. Rajesh Sharma	Chairman & Managing Director
Mr. Dinesh Sharma	Executive Director
Mr. Aankur Patni	Executive Director
Dr. V. N. Gupchup	Director
Mr. M. P. Patni	Director
Mr. T. M. M. Nambiar	Director
Mr. P. Sampath Kumar	Director
Mr. Abhiram Seth	Director
Mr. Shishir Tamotia	Director
Ms. Kishori J. Udeshi	Director
Mr. David Rasquinha	Director
Mr. Sanjay Joshi	Director
Mr. Amitava Guharoy	Additional Director
Mr. Gopalaraman Padmanabhan	Additional Director
Mrs. Alka Arora Misra	Additional Director

SENIOR MANAGEMENT

Mr. Rajesh Sharma	Chairman & Managing Director
Mr. Aankur Patni	Executive Director
Mr. Dinesh Sharma	Executive Director
Mr. Indraneel Dutt	Chief Executive Officer
Mr. Ajay A. Popat	President - Corporate Diversification, Technology & Marketing
Mr. N. M. Ranadive	Group Head - Financial Planning & Risk Management
Mr. Dinesh Sadasivan	President - Standard Systems, CSD & Services
Mr. Vasant Naik	Group Chief Financial Officer
Mr. S. N. Iyengar	Executive Vice President - Medium Industry Segment
Dr. N. Anbanathan	Executive Vice President - Resin Division
Mr. C.K. Sandeep	Executive Vice President - International Division
Mr. Paresh Ballikar	Executive Vice President - Internal Audit and Information Technology
Mr. Venkathnath Kandalla	Executive Vice President - Industrial Chemical Division
Mr. Yogesh Bajpai	Executive Vice President - Home Water Solutions

COMPANY SECRETARY

Mr. Milind Puranik

REGISTRAR & SHARE TRANSFER AGENT & REGISTRAR FOR FIXED DEPOSITS

M/s. Link Intime India Private Limited
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg
Vikhroli (West) Mumbai – 400 083
Tel No.: +918108118484
Fax No.: +9166568494
Email: csg-unit@linkintime.co.in
Website: www.linkintime.co.in

REGISTERED OFFICE

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

BANKERS

Bank of India
Canara Bank
State Bank of India
Axis Bank Ltd.
Punjab National Bank
Export-Import Bank of India
IDFC First Bank Ltd.
Standard Chartered Bank
ICICI Bank Ltd.

AUDITORS

M/s. B S R & Co. LLP

ADVOCATE & SOLICITORS

Crawford Bayley & Co.

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NOTICE

NOTICE is hereby given that the Sixtieth Annual General Meeting of the members of Ion Exchange (India) Limited will be held on Wednesday, 11th September, 2024 at 11.00 a.m. through Video Conferencing ("VC")/Other Audio Video Means ("OAVM") to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Ion House, Dr. E. Moses Road, Mahalaxmi, Mumbai- 400 011.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statement and Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2024, and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend on Equity shares.
3. To appoint a Director in place of Mr. M.P.Patni (DIN:00515553), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider, and if thought fit, pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Companies Act, 2013 read with rules thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. M.P.Patni (DIN:00515553), a Non-Executive Non-Independent Director of the Company, who is liable to retire by rotation at this Annual General Meeting of the Company, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation, notwithstanding that he has crossed the age of 75 years."

4. **To appoint Statutory Auditors of the Company**

To consider and, if thought fit, to pass with or without modification(s), if any, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Audit Committee and the Board of Directors, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Reg. No. 117366W / W-100018) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five consecutive years from the conclusion of the 60th Annual General Meeting (AGM) until the conclusion of the 65th Annual General Meeting of the Company, to be held in the year 2029, on such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things, as may be necessary and expedient for the purpose of giving effect to this resolution."

SPECIAL BUSINESS

5. **Appointment of Branch Auditors**

To consider and if, thought fit, to pass with or without modification(s), if any, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 143(8) and section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Angadi & Co., Chartered Accountants (M No. 237235), be and is hereby appointed as Branch Auditors of the Company for auditing the books of accounts maintained by Ion Exchange Services (Division of Ion Exchange (India) Limited) to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and the Board of Directors be and is hereby authorized to fix their remuneration."

6. **Approval of Cost Auditors Remuneration**

To consider and if, thought fit, to pass with or without modification(s), if any, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294), appointed by the Board

of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2025, at a remuneration amounting to INR 4,00,000 (Rupees Four Lakhs Only) plus applicable taxes and out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

7. **Change in Designation of Mr. Rajesh Sharma (DIN: 00515486) from Chairman & Managing Director to Chairman - Executive Director and remuneration payable to him**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rules & regulations made thereunder and pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, the consent of the Members be and is hereby accorded to the change in designation of Mr. Rajesh Sharma (DIN: 00515486) from Chairman & Managing Director to Chairman - Executive Director, not liable to retire by rotation, effective from 1st October, 2024.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members be and is hereby accorded to the appointment of Mr. Rajesh Sharma as Chairman-Executive Director, for a period of 3 years commencing from 1st October, 2024 to 30th September, 2027 whose term of office shall not be liable to retire by rotation and payment of remuneration as set out in the agreement to be entered into by the Company with Mr. Rajesh Sharma.

RESOLVED FURTHER THAT pursuant to the provisions of sections 196(3)(a) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and Board of Directors, consent of the Members of the Company be and is hereby accorded for the continuation of the appointment of Mr. Rajesh Sharma as Chairman & Managing Director of the Company on attaining the age of 70 (Seventy) years for the remaining period of his current term i.e. upto 30th September, 2024 and appointment of Mr. Rajesh Sharma as Chairman - Executive Director for three years with effect from 1st October 2024.

RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. Rajesh Sharma, Chairman - Executive Director of the Company in excess of the limits specified under the said Regulation 17(6)(e), during the tenure of his appointment from 1st October, 2024 to 30th September, 2027.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) of the Company be and is hereby authorized to make modification to the terms of the appointment and / or remuneration and / or agreement with Mr. Rajesh Sharma, as it considers appropriate and in accordance with any provision under the Act, for the time being in force (including any statutory modification(s) or re-enactment(s) thereof).

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Rajesh Sharma, the Company shall pay him remuneration by way of salary and perquisite as set out in the explanatory statement annexed to this Notice, as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the company or a committee thereof, or Company Secretary be and is hereby authorized to do all such acts, deed, and things, as may be deemed necessary to give effect to the foregoing resolutions.”

8. **Appointment of Mr. Indraneel Dutt (DIN: 01942447) as a Director and Managing Director of the Company for the period of five years effective from 1st October, 2024 to 30th September, 2029 and remuneration payable to him**

To consider and if, thought fit, to pass with or without modification(s), if any, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder, pursuant to Regulation 17(1C) of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by the Nomination and Remuneration Committee and Board of Directors, Mr. Indraneel Dutt (DIN: 01942447) in respect of whom the Company has received a notice in writing from a member proposing his candidature be and is hereby appointed as a Director of the Company with effect from 1st October, 2024.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as recommended by the Nomination and Remuneration Committee and Board of Directors, the consent of the members of the Company be and is hereby accorded to the appointment of Mr. Indraneel Dutt as Managing Director, whose term of office shall not be liable to retirement by rotation for a period of 5 years commencing from 1st October, 2024 and to the payment of remuneration as set out in the agreement to be entered into by the Company with Mr. Indraneel Dutt.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) of the Company be and is hereby authorized to make modification to the terms of the appointment and / or remuneration and / or agreement with Mr. Indraneel Dutt, as it considers appropriate and in accordance with any provision under the Act, for the time being in force (including any statutory modification(s) or re-enactment(s) thereof).

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of the Managing Director, Mr. Indraneel Dutt, the Company shall pay him remuneration by way of salary and perquisite as set out in the explanatory statement annexed to this Notice, as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors or the Company Secretary of the Company be and are hereby authorized to take all such steps as may be deemed necessary, proper and expedient to give effect to this resolution."

9. **Change in Designation of Mr. Dinesh Sharma (DIN: 00051986) from Executive Director to Non- Executive and Non-Independent Director as Vice – Chairman and to appoint Mr. Dinesh Sharma to hold office or place of profit**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 152 and 160 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rules & regulations made there under and pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to recommendation of Nomination and Remuneration Committee and Board of Directors, the consent of the Members be and is hereby accorded to the change in designation of Mr. Dinesh Sharma from Executive Director to Non-Executive and Non-Independent Director and appoint him as Vice Chairman of the company, liable to retire by rotation, with effect from 1st October, 2024.

RESOLVED FURTHER THAT in conformity with the provisions of Article 88 and other applicable Articles of Articles of Association of the Company and pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013, read with Companies (Meetings of Board and its powers) Rules, 2014, and any other applicable provisions, including any statutory modifications thereto for the time being in force and as recommended by the Nomination and Remuneration Committee and Board of Directors, pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members be and is hereby accorded to the appointment of Mr. Dinesh Sharma, brother of Mr. Rajesh Sharma (Chairman of the company), holding office or place of profit as Advisor of the company, for a period of five years with effect from 1st October, 2024 on a monthly fee/ compensation of INR 14 Lacs (Rupees Fourteen Lacs only) plus performance incentive upto 1 (one) per cent of Net Profit after tax as may be decided by the Board of Directors, under the applicable provisions of Companies Act, 2013 and its allied rules and such other perquisites in accordance with the Company Rules.

RESOLVED FURTHER THAT the Board of Directors of the company or a committee thereof be and is hereby authorized to finalise and decide the change in designation and/or revisions in the fee/compensation payable to Mr. Dinesh Sharma from time to time in accordance with the company's policy on performance measurement and appraisal and such other relevant policies.

RESOLVED FURTHER THAT the Board of Directors of the company or a committee thereof or Company Secretary be and is hereby authorized to do all such acts, deed, and things, as may be deemed necessary to give effect to the foregoing resolutions.

10. **Change in Designation of Mr. Aankur Patni (DIN: 00090657) from Executive Director to Non- Executive and Non-Independent Director as Vice Chairman and to appoint Mr. Aankur Patni to hold office or place of profit**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 152 and 160 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rules & regulations made there under and pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, the consent of the Members be and is hereby accorded to the change in designation of Mr. Aankur Patni from Executive Director to Non-Executive and Non-Independent Director and appoint him as Vice Chairman of the company, liable to retire by rotation, with effect from 1st October, 2024.

RESOLVED FURTHER THAT in conformity with the provisions of Article 88 and other applicable Articles of Articles of Association of the Company and pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013, read with Companies (Meetings of Board and its powers) Rules, 2014, and any other applicable provisions, including any statutory modifications thereto for the time being in force and as recommended by the Nomination and Remuneration Committee and Board of Directors, pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members be and is hereby accorded to the appointment of Mr. Aankur Patni, son of Mr. M. P. Patni (Non-Executive Director of the company), holding office or place of profit as Advisor of the company, for a period of 5 years, with effect from 1st October, 2024 on a monthly fee/ Compensation of INR 14 Lacs (Rupees Fourteen Lacs only) plus performance incentive upto 1 (one) per cent of Net Profit after tax as may be decided by the Board of Directors, under the applicable provisions of Companies Act, 2013 and its allied rules and such other perquisites in accordance with the Company Rules.

RESOLVED FURTHER THAT the Board of Directors of the company or a committee thereof be and is hereby authorized to finalise and decide the change in designation and/or revisions in the fee/compensation payable to Mr. Aankur Patni from time to time in accordance with the company's policy on performance measurement and appraisal and such other relevant policies.

RESOLVED FURTHER THAT the Board of Directors of the company or a committee thereof, or Company Secretary be and is hereby authorized to do all such acts, deed, and things, as may be deemed necessary to give effect to the foregoing resolutions."

11. **Appointment of Mr. Amitava Guharoy (DIN:10708866) as an Independent Director of the Company**

To consider and if, thought fit, to pass with or without modification(s), if any, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. Amitava Guharoy (DIN:10708866) who has been appointed as an Additional Director in the capacity of Independent Director by Board of Directors in terms of Section 161 of the Companies Act, 2013 and whose appointment is recommended by Nomination and Remuneration Committee and Board of Directors and in respect of whom Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five years with effect from September 11, 2024 upto the conclusion of 65th Annual General Meeting to be held in the year 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

12. **Appointment of Mr. Gopalaraman Padmanabhan (DIN : 07130908) as an Independent Director of the Company**

To consider and if, thought fit, to pass with or without modification(s), if any, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mr. Gopalaraman Padmanabhan (DIN : 07130908) who has been appointed as an Additional Director in the capacity of

Independent Director by Board of Directors in terms of Section 161 of the Companies Act, 2013 and whose appointment is recommended by Nomination and Remuneration Committee and Board of Directors and in respect of whom Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five years with effect from September 11, 2024 upto the conclusion of 65th Annual General Meeting to be held in the year 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

13. **Appointment of Mrs. Alka Arora Misra (DIN:08038518) as a Woman Independent Director of the Company**

To consider and if, thought fit, to pass with or without modification(s), if any, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Mrs. Alka Arora Misra (DIN:08038518) who has been appointed as an Additional Director in the capacity of Independent Director by Board of Directors in terms of Section 161 of the Companies Act, 2013 and whose appointment is recommended by Nomination and Remuneration Committee and Board of Directors and in respect of whom Company has received a notice in writing from a Member proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of five years with effect from September 11, 2024 upto the conclusion of 65th Annual General Meeting to be held in the year 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

14. **To alter and adopt new set of Memorandum of Association (MOA) of the company as per the Companies Act, 2013**

To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 4, 13, 15 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such other approvals, consents, sanctions and permissions as may be necessary in this regard from appropriate authorities and agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee or one or more Directors), the consent of the members be and is hereby accorded for alteration and adoption of the new set of Memorandum of Association ('MOA') of the Company as under:

The existing Clause 3(1) comprising of sub clauses 3(1A) to 3(1R) be altered and restated under clause III(A) to be titled as "The Objects to be pursued by the Company on its Incorporation".

The existing Clause 3(2) comprising of sub clauses 3(2) to 3(34) be altered and restated under clause III(B) to be titled as "Matters which are necessary for furtherance of the Objects specified in Clause III(A)".

RESOLVED FURTHER THAT necessary revision in numbering the clauses of the MOA shall be carried out in view of the aforesaid and a new set of the Memorandum of Association of the Company be adopted in accordance with the Schedule I of the Companies Act, 2013.

RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this regulation to any Committee of Directors of the Company or Officer(s) of the Company in order to give effect to this resolution."

15. To alter and adopt new set of Articles of Association (AOA) of the Company as per the Companies Act, 2013

To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 5 and 14 of Companies Act, 2013 (“the Act”), Schedule I made thereunder, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such other approvals, consents, sanctions and permissions as may be necessary, the consent of the members of the Company be and is hereby accorded to adopt new set of Article of Association in place of existing Articles of Association of the Company.

RESOLVED FURTHER THAT necessary revision in numbering the clauses of the AOA shall be carried out in view of the aforesaid and a new set of the Articles of Association of the Company be adopted in accordance with the Schedule I of the Companies Act, 2013.

RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this regulation to any Committee of Directors of the Company or Officer(s) of the Company in order to give effect to this resolution.”

16. To approve payment of Commission/Remuneration to Non-Executive Directors

To consider and if thought fit to pass with or without modification(s) the following resolution as a **Special Resolution**:

“RESOLVED That pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), as amended from time to time and pursuant to Regulation 17(6)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a sum not exceeding five percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, be paid to and distributed amongst the Non-Executive Directors of the Company by way of Commission/remuneration payable either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other in such amounts or proportions and in such manner and in all respects as may be directed by the Nomination and Remuneration Committee and Board of Directors of the Company and such payments shall be made in respect of the profits of the Company for each year, commencing from April 1, 2024.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or the Nomination and Remuneration Committee constituted by the Board be and are hereby authorized to take all actions and do all such acts, deeds and things, as may be necessary to give effect to the said resolution.

Registered Office:

Ion House
Dr. E. Moses Road
Mahalaxmi
Mumbai 400 011
CIN: L74999MH1964PLC014258

By Order of the Board

Milind Puranik
Company Secretary

Mumbai, 2nd August, 2024

NOTES :

1. The Ministry of Corporate Affairs ("MCA") has vide its circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 (collectively referred to as "MCA Circulars") and read with relevant circulars issued by the Securities and Exchange Board of India ("SEBI"), from time to time (referred to as "SEBI Circular") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
2. Pursuant to the Circular No.14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 4th September, 2024 to Wednesday, 11th September, 2024 (both days inclusive).
4. Details of Directors seeking appointment/re-appointment as required under Regulation 36(3) of Listing Regulations and Secretarial Standards on General Meetings:

Name	Mr. Rajesh Sharma	Mr. Indraneel Dutt	Mr. Dinesh Sharma	Mr. Aankur Patni
Designation	Chairman – Executive Director	Managing Director	Non-Executive Non-Independent Director - Vice Chairman	Non-Executive Non-Independent Director - Vice Chairman
Date of Birth	23.09.1954	09.10.1970	20.11.1964	14.03.1971
Age	69 Years	53 Years	59 Years	53 Years
Original Date of Appointment	26-03-1996	Not Applicable	24-01-2006	24-01-2006
Qualification	B.S.C, L.L.B	Graduate in Mechanical Engineering and MBA (PDGM) from the Indian Institute of Management Calcutta (IIMC).	B.Sc.	B.Com., ACA,CISA
Expertise	Mr. Rajesh Sharma joined Ion Exchange in 1974. Before assuming the office of MD since 1 st April 2000, he held a number of portfolios like sales, marketing, management etc. Mr. Sharma has tremendous experience of Aqua Industry and under his able leadership the Company made phenomenal growth.	Mr. Indraneel Dutt has about 28 years of experience in the Energy, Renewable, Water & Environmental sectors and has worked across the complete Energy value chain, Water & Environmental segments. He spent his early years with L&T and TATA Group. He then worked with General Electric (GE) for 20 years from 1999 to 2018 in South Asia. Before joining Ion Exchange (India) Limited, he was	Mr. Sharma has varied experience in the field of Marketing and Management. Presently he is the Chairman of M/s. Ultrafresh Modular Solutions Limited, specialized in manufacture and marketing of kitchen appliances. Besides being on the Board of various other Companies.	Mr. Patni has experience in Finance management & Information Technology. He was earlier associated with SBI Capital Market as AVP and currently is director on board of various other Companies

Name	Mr. Rajesh Sharma	Mr. Indraneel Dutt	Mr. Dinesh Sharma	Mr. Aankur Patni
		associated with DANAHER Water Business as P&Ls Managing Director in the South Asia region.		
Terms and Conditions of Appointment	Refer resolution No. 7 The director has been appointed for the term of 3 years; up to the conclusion of 63 rd Annual General Meeting to be held in the year 2027.	Refer resolution No. 8 The director has been appointed for the term of 5 years; up to the conclusion of 65 th Annual General Meeting to be held in the year 2029.	Refer resolution No. 9. The director is liable to retire by rotation.	Refer resolution No. 10. The director is liable to retire by rotation.
Details of Remuneration sought to be paid	As stated herein above in explanatory statement.	As stated herein above in explanatory statement.	As stated herein above in explanatory statement.	As stated herein above in explanatory statement.
Remuneration last drawn (in INR)	8,42,82,876	1,06,06,467	3,84,12,550	3,81,98,045
Number of shares held in the Company	82,49,680	1,100	63,22,710	29,52,930
Relationship with other Directors, Manager and other key managerial personnel of the Company	Mr. Rajesh Sharma and Mr. Dinesh Sharma are brothers	Not Applicable	Mr. Dinesh Sharma and Mr. Rajesh Sharma are brothers	Mr. Aankur Patni is the son of Mr. M.P.Patni (Non- Executive Non-Independent Director)
Chairman/ Director of Other Companies	- Watercare Investments (India) Ltd. - Ion Exchange Enviro Farms Limited - Power Water Financial Services Pvt. Ltd. - Ion Exchange Asia Pacific Pte. Ltd. (Singapore) - Aqua Investments (India) Ltd. - IEI Environmental Management (M) SDN. BHD. (Malaysia) - Ion Exchange & Co. LLC (Oman) - Ion Exchange LLC (USA) - Ion Exchange Projects & Engineering Ltd. - Ion Foundation	Nil	- Ultrafresh Modular Solutions Limited - Ion Exchange Environment Management (BD) Ltd. - Total Water Management Services (India) Limited - Aquanomics Systems Ltd. - Rockmen Merchants Ltd - Ion Exchange Asia Pacific Pte. Ltd. (Singapore) - IEI Environmental Management (M) SDN. BHD. - Ion Exchange Projects & Engineering Ltd. - Ion Exchange Europe, Lda	- Aquanomics Systems Ltd. - Rockmen Merchants Ltd. - Ion Exchange Projects & Engineering Ltd. - Ion Exchange LLC, USA - Ion Exchange & Co. LLC, Oman - Ion Exchange Asia Pacific Pte. Ltd., Singapore - IEI Environmental Mngt(M) Sdn. Bhd, Malaysia - Total Water Management Services (India) Limited

Name	Mr. Rajesh Sharma	Mr. Indraneel Dutt	Mr. Dinesh Sharma	Mr. Aankur Patni
	11. Ion Exchange PSS Ltd. (Thailand) 12. Ion Exchange Safic (Pty.) Ltd. (South Africa) 13. Ion Exchange Asia Pacific Ltd. Thailand 14. GPCL Consulting Services Limited 15. Ion Exchange Europe, Lda 16. Mapril - Produtos Químicos E Maquinas Para A Industria, Lda		10. Mapril - Produtos Químicos E Maquinas Para A Industria, Lda	
Chairman/ Member of the committees of the Company and other Company(s)	Nil	Nil	Member of the following committees of Ultrafresh Modular Solutions Limited 1. Stakeholders Relationship Committee (Chairman)	Nil
No. of Board Meetings attended	8	Not Applicable	8	8

Name	Mr. M. P. Patni	Mr. Gopalaraman Padmanabhan	Mr. Amitava Guharoy	Mrs. Alka Arora Misra
Designation	Non-Executive Director	Independent Director	Independent Director	Independent Director
Date of Birth	25.09.1945	29.05.1955	30.07.1961	16.12.1961
Age	78 years	69 years	63 years	62 years
Date of Appointment	28.09.2001	02.08.2024	02.08.2024	02.08.2024
Qualification	B.E. (Mechanical)	Post graduate in Economics from Kerala University and a Masters in Business Administration from the Birmingham Business School	1. Bachelor of Science (Economics - First Class Honours) 2. Chartered Accountant (India) (Gold Medalist) 3. Chartered Institute of Management Accountants UK 4. Qualified Listed Entity Director 5. INSEAD Certificate in Corporate Governance 6. Harvard University Certificate in Advanced Leadership	ICSE & ISC, BA ECONOMICS HONS., M.A. ECONOMICS

Name	Mr. M. P. Patni	Mr. Gopalaraman Padmanabhan	Mr. Amitava Guharoy	Mrs. Alka Arora Misra
			Initiative focusing on Climate Change and Sustainability 7. Certified Climate Risk Professional 8. Certificate in ESG: Navigating the Board's Role, Energy Innovation & Emerging Technologies, Building Board Expertise on Sustainability(UC Berkeley & CERES)	
Expertise	Mr. M.P. Patni has wide range of experience in the marketing of heavy and medium engineering equipments, water treatment plants and allied items since last 56 years. He has considerable exposure in handling large projects of national importance.	Mr. Gopalaraman Padmanabhan holds extensive experience and expertise in banking regulation and supervision of foreign exchange / securities markets in India, information technology, customer service, risk management, finance and payment systems, with more than 35 years of experience with the RBI in various capacities. At the time of superannuation, he was Executive Director at RBI. He was appointed as Non- Executive Chairman of Bank of India in August, 2015. He held this position for 5 years till August 2020. He advises several firms on banking / foreign exchange and payment system and other regulatory issues.	Mr. Amitava Guharoy, a gold medallist Chartered Accountant is a seasoned executive with 35+ years of experience, including senior leadership role in two global professional firms, CEO roles in regulated & listed companies and advising MNCs, PE Funds, and regional firms on Strategy, Capital Allocation. A Harvard ALI Fellow focusing on Climate Change and Sustainability, he integrates climate governance strategies in businesses and holds certifications in Corporate Governance from INSEAD and as a Climate Risk Professional and has mentored global teams.	Mrs. Alka Arora Misra is a post-graduate in Economics and a Gold Medalist from Allahabad University, she recently retired as Additional Member Human Resources of the Railway Board and as the Vice Chancellor of National Rail and Transport University, Vadodara. She has significant experience and expertise in infrastructure and logistics management; Human Resource development; education and inter-ministerial affairs. A senior bureaucrat who worked for Indian Railways in a variety of roles in a career spanning 35 years. Mrs. Alka Arora Misra until recently was the Chairperson, Odisha Skill Development Authority and the Chief Executive Officer for the World Skill Centre. The World Skill issues. (WSC) is a premier advanced skill training institute established by the Government of Odisha, in collaboration with

Name	Mr. M. P. Patni	Mr. Gopalaraman Padmanabhan	Mr. Amitava Guharoy	Mrs. Alka Arora Misra
				Institute of Technical Education Services (ITEES), Singapore as the knowledge partner.
Terms and Conditions of Appointment	Refer Resolution No. 3 and details of Director retires by rotation and being eligible as offered himself for re appointment.	Refer Resolution No. 11. The director has been appointed for the term of 5 years; upto the conclusion of 65 th Annual General Meeting to be held in the year 2029.	Refer Resolution No. 12. The director has been appointed for the term of 5 years; upto the conclusion of 65 th Annual General Meeting to be held in the year 2029.	Refer Resolution No. 13. The director has been appointed for the term of 5 years; upto the conclusion of 65 th Annual General Meeting to be held in the year 2029.
Details of Remuneration sought to be paid	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Remuneration last drawn	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Number of shares held in the Company	72,03,474	Nil	Nil	Nil
Relationship with other Directors, Manager and other key managerial personnel of the Company	Mr. M.P. Patni is related to Mr. Aankur Patni who is an Executive Director.	Not Applicable	Not Applicable	Not Applicable
Chairman/Director of Other Companies	1. Labhda Properties Pvt. Ltd. 2. IEI Water Tech (M) Sdn. BHD. 3. IEI Environmental Management (M) SDN. BHD. 4. Ion Exchange Environmental Management (BD) Ltd. 5. Ion Exchange Asia Pacific Pte. Ltd. (Singapore) 6. Ion Exchange Asia Pacific (Thailand) Ltd. 7. Ion Exchange Projects & Engineering Ltd. 8. Ion Exchange PSS Ltd. (Thailand) 10. Ion Exchange Safic (Pty.) Ltd. (South Africa)	1. Haldyn Glass Limited 2. India International Bullion Exchange IFSC Limited 3. Axis Bank Limited	Nil	1. Sarsan Enterprises Private Limited 2. Rajratan Global Wire Limited 3. World Skill Centre 4. Transindia Real Estate Limited 5. PRADAN 6. National Highways Logistic Management Limited

Name	Mr. M. P. Patni	Mr. Gopalaraman Padmanabhan	Mr. Amitava Guharoy	Mrs. Alka Arora Misra
Chairman/Member of the committees of the Company and other Company(s)	Member of the following committees of: Ion Exchange (India) Ltd. - Employee Stock Option Compensation Committee - Nomination and Remuneration Committee - Corporate Social Responsibility Committee Member of the following committees of: Ion Exchange Projects and Engineering Limited. - Audit Committee	Member of the following committees of: Haldyn Glass Limited - Audit Committee - Nomination and Remuneration Committee India International Bullion Exchange IFSC Limited - Regulatory Oversight Committee - Risk Management Committee - Standing Committee on Technology Axis Bank Limited - Risk Management Committee - Customer Service Committee - IT & Digital Strategy Committee - Environmental, Social and Governance Committee	Nil	Member of the following committees of: Transindia Real Estate Limited - Nomination and Remuneration Committee (Chairperson) - CSR Committee Rajratan Global Wire Limited - Stakeholders Relationship Committee (Chairperson) - Audit Committee - CSR Committee (Chairperson) National Highways Logistic Management Limited - Nomination and Remuneration Committee - Audit Committee
No. of Board Meetings attended	8	Not Applicable	Not Applicable	Not Applicable

- Dividend, if declared at the meeting will be paid subject to deduction of tax at source on or before 16th September, 2024 to those members (holding shares in physical form) whose names appear on the Register of members as on 11th September, 2024 and to those beneficial owners (holding shares in electronic form) whose names appear in the Beneficiary report furnished by the depositories.
- SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, the members are requested to make service request by submitting a duly filled and signed Form No. ISR-4, the format of which is available on the Company's website at www.ionexchangeindia.com and on the website of Link Intime India Private Limited at Members are requested to note that any service request would only be processed after the folio is KYC Compliant.
- Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their TCPL Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the

Company and the Company's Registrars and Transfer Agents, of Link Intime India Pvt Ltd. ('RTA') to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.

8. Unclaimed Dividend for the period 2015-16 has been transferred to Investors Education and Protection Fund, pursuant to Sections 125 of the Companies act, 2013. Shareholders who have not claimed Dividend for the period 2016-17 and subsequent years are advised to write to our R&T Agent.
9. Pursuant to the Provision of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") which came into effect from 7th September, 2016 and further amended "the Rules" vide notification dated 28th February, 2017, the Company is mandated to transfer all shares in the name of the Investor Education and Protection Fund (IEPF) DEMAT Account of the Authority in respect of which dividend has not been paid or claimed for seven consecutive years or more. The Company has transferred 83,940 shares to the Investor Education and Protection Fund Authority during the year 2023-24.
10. As per the provisions of Section 72 of the Companies Act, 2013 (the Act) and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website www.ionexchange.global.com Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.
11. Members seeking any information with regard to the Accounts are requested to e-mail to the Company at investorhelp@ionexchange.co.in on or before 5th September, 2024. The same shall be replied by Company suitably.
12. The Company has been maintaining, inter alia, the following statutory registers at its registered office:
 - i) Register of contracts or arrangements in which Directors are interested under section 189 of the Act.
 - ii) Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Act.
13. The said registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.
14. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website and on the websites of the Stock Exchanges i.e. BSE Limited & National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com.
15. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
16. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA/Depositories.
17. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to csgexemptforms2425@linkintime.co.in.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to investorhelp@ionexchange.co.in.

18. The Board of Directors of the Company, at its meeting held on August 02, 2024 has appointed Mr. V. V. Chakradeo, Practicing Company Secretary as the Scrutinizer for conducting the postal ballot through e-voting process in a fair and transparent manner.

19. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

20. **Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI LODR, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The members who have cast their vote by remote e-voting/Ballot Form (prior to the AGM) may also attend the AGM but shall not be entitled to cast their vote again.
- III. The remote e-voting period commences on Saturday, 7th September, 2024 (9.00 a.m) and ends on Tuesday, 10th September, 2024 (5.00 p.m). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4th September, 2024 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- IV. The details of the process and manner for remote e-voting are explained herein below:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User

	ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on   
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website HYPERLINK "http://www.cdslindia.com"www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on HYPERLINK "http://www.cdslindia.com"www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022 48867000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800225533

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password: Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is active.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vvchakra@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 022 48867000 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investorhelp@ionexchange.co.in.
 2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investorhelp@ionexchange.co.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
 3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
 4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- V. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VI. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 4th September, 2024.
- VIII. Any person, who acquires shares of the Company and become member of the Company after sending of the notice and holding shares as of the cut-off date i.e. 4th September, 2024 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Registrars M/s. Link Intime India Private Limited at csg-unit@linkintime.co.in.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 022 48867000 and 022 24997000.
- IX. Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- X. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting.
- XI. Mr. V.V. Chakradeo, Company Secretaries (COP No. 1705) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XIII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.ionexchange.global.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed.

23. Instructions for Members for attending the AGM through VC/OAVM are as under:

- a. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
- b. Facility of joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- c. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in or call on toll free no. 022 48867000 and 022 24997000 or contact Mr. Amit Vishal or Ms. Pallavi Mhatre at the designated email id - evoting@nsdl.co.in.
- d. Members are encouraged to join the Meeting through Laptops for better experience.
- e. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- g. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investorhelp@ionexchange.co.in from 3rd September, 2024 to 7th September, 2024. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Registered Office:

Ion House
Dr. E. Moses Road
Mahalaxmi
Mumbai 400 011

CIN: L74999MH1964PLC014258

By Order of the Board

Milind Puranik
Company Secretary

Mumbai, 2nd August, 2024

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 16 of the accompanying Notice:

Item No. 3

Mr. M.P.Patni is a Non-Executive Non-Independent Director on the Board of the Company and is liable to retire by rotation at the ensuing Sixtieth Annual General Meeting of the Company. Being eligible, he has offered himself for re-appointment. As per Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of 75 years unless a Special Resolution is passed to that effect. Therefore, continuance of Mr. M.P.Patni as Non-Executive Non-Independent Director requires consent of the members by way of a Special Resolution.

The Company admires the caliber and expertise of Mr. M. P. Patni in the fields of marketing of heavy and medium engineering equipments, water treatment plants and allied items. The quality of his inputs/ views to the Board/ Committee on governance principles has given the company a broader picture having a positive effect on the overall outcome, thus adding value to the organisation. His vast experience in the various fields gives the Company a better insight in planning and executing the projects. Keeping in view the experience of and contributions made by Mr. M. P. Patni, the Board recommends the Special Resolutions set out in Item No. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors or KMP is concerned or interested in the said Resolution, except Mr. Aankur Patni who is related to Mr. M.P.Patni, and is concerned or interested in the Resolution.

Item No. 4

The Members of the Company at the 56th Annual General Meeting (AGM) held on 22nd September, 2020 had approved the appointment of M/s B S R & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company to hold office for a term of 4 (four) consecutive years from the conclusion of said AGM till the conclusion of the 60th AGM. They will complete their present term on conclusion of this AGM.

The Audit Committee and the Board of Directors (the Board) of the Company have recommended appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W100018) ("Deloitte"), as the Statutory Auditors for a period of 5 consecutive financial years, to hold office from the conclusion of this AGM till the conclusion of 65th AGM to be held in respect of the financial year ending 31st March, 2029 and payment of such remuneration as may be mutually agreed upon from time to time between the Board and the Statutory Auditors.

Deloitte has consented to their appointment and confirmed that their appointment, if made, would be in accordance with Section 139 read with Section 141 of the Act. Deloitte has also confirmed that they have subjected themselves to the peer-review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board of ICAI'. Deloitte has also furnished a declaration confirming its independence in terms of section 141 of the Act and declared that it has not taken up any prohibited non-audit assignments for the Company.

The Board recommends Resolution at Item No. 4 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors or KMP is concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

Item No. 5

It is proposed to appoint M/s. Angadi & Co., Chartered Accountants (M.No. 237235) as the Branch Auditors for conducting Audit of Ion Exchange Services (Division of Ion Exchange (India) Limited).

M/s. Angadi & Co., Chartered Accountants have given their consent to act as the Branch auditors, if appointed. The Board recommends the Resolution at Item No. 5 for approval by the Members.

The Board recommends Resolution at Item No. 5 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors or KMP is concerned or interested in the Resolution at Item No. 5 of the accompanying Notice.

Item No. 6

M/s. Kishore Bhatia & Associates, Cost Accountants, are appointed as Cost Auditors of the Company to audit the accounts relating to cost records for the financial year ending March 31, 2025.

Remuneration payable to M/s. Kishore Bhatia & Associates, Cost Auditors of the Company for the financial year ending March 31, 2025 was recommended by the Audit Committee to the Board and subsequently, was considered and approved by the Board of Directors at its meeting held on 29th May, 2024.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company. The Board recommends the Resolution at Item No. 6 for approval by the Members.

The Board recommends Resolution at Item No. 6 for approval by the Members.

None of the Directors or key managerial personnel (KMP) or relatives of Directors or KMP is any way interested or concerned in the Resolution at item No. 6 of the accompanying Notice.

Item No. 7

The Board of Directors of the company on the recommendation of the Nomination and Remuneration Committee at its meeting held on 2nd August, 2024 had approved the change in Designation of Mr. Rajesh Sharma (DIN: 00515486) from Chairman & Managing Director, to Chairman - Executive Director (Executive capacity) not liable to retire by rotation, subject to approval of the shareholders with effect from 1st October, 2024.

Further, the Board of Directors of the company on the recommendation of the Nomination and Remuneration Committee at its meeting held on 2nd August, 2024 had approved the appointment of Mr. Rajesh Sharma (DIN: 00515486) as Chairman - Executive Director (Executive capacity), not liable to retire by rotation, subject to approval of the shareholders effective from 1st October, 2024 to 30th September, 2027.

The Company seeks consent of the members by way of Special Resolution for the continuation of the appointment of Mr. Rajesh Sharma (DIN: 00515486) as Chairman and Managing Director and appointment as Chairman – Executive Director of the Company with effect from 1st October, 2024 on attaining the age of 70 (Seventy) years under the provisions of Section 196(3)(a) of the Companies Act, 2013.

Mr. Rajesh Sharma has been involved in the strategic matters since his appointment as Chairman & Managing Director of the Company. The Board of Directors is of the opinion that the leadership and guidance of Mr. Rajesh Sharma is required by the Company. It will be in the best interest of the company and its Stakeholders that Mr. Rajesh Sharma continues as Chairman in Executive Capacity i.e Chairman & Whole Time Director of the Company. The Board is therefore recommending the Special Resolution for your approval.

Mr. Rajesh Sharma joined Ion Exchange in 1974. Before assuming the office of MD since 1st April 2000, he held a number of portfolios like sales, marketing, management etc. Mr. Sharma has tremendous experience of Aqua Industry and under his able leadership the Company made phenomenal growth.

Mr. Rajesh Sharma in his role as Chairman (in Executive Capacity), will be providing his invaluable insights and will be guiding the Managing Director and the management team on all the matters related to the business of the Company.

The provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, provides that approval of shareholders would be required by way of special resolution in case the aggregate annual remuneration payable to all the Executive Directors who are promoters or members of the promoter group of the Company, exceeds 5 per cent of the net profits of the Company, calculated in terms of Section 198 of the Companies Act, 2013. Mr. Rajesh Sharma is part of promoter group and the remuneration payable to him as per the terms stated herein below together with the remuneration payable to all the other Executive Directors may exceed 5 percent of the net profits of the Company. Hence, the approval of shareholders by way of Special Resolution is being sought at the ensuing AGM.

The appointment is subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The main terms and conditions of the appointment are as under:

Basic Salary	: INR 15,00,000/- (Rupees fifteen Lakhs Only) per month. He will be eligible for increment of INR 1 Lac (Rupees one lac) per month on expiry of every 12 months.
Commission	: For each financial year at a rate to be decided by the Board of Directors but not exceeding 5 % of the net profits of the Company.
Housing	: i) Free furnished accommodation in case the accommodation is owned by the Company. ii) In case the accommodation is hired by the Company, expenditure by the Company on hiring furnished accommodation for the Chairman will be subject to the ceiling of 60% of the basic salary over and above 10% payable by the Chairman. iii) In case no accommodation is provided by the Company, the Chairman shall be entitled to House Rent Allowance subject to the ceiling of 60 % of the Basic Salary.
Gratuity	: 15 days Basic Salary for each year of service. Contribution to the provident fund, superannuation fund or annuity fund and encashment of leave at the end of the tenure will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
Leave Travel Allowance	: INR 5,00,000/- (Rupees Five Lacs only) for the Chairman and his family, once a year incurred in accordance with the rules of the Company.
Medical Benefits	: Reimbursement of medical expenses for the Chairman, spouse and dependent children.
Club Fees	: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

The Expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962 and shall not exceed INR 2,00,000/- (Rupees Two Lacs Only) per annum.

Provision of car with driver and telephone at residence will not be considered as perquisites.

In case when in any financial year during the current tenure of the Chairman, the Company has no profits or profits are inadequate, remuneration will be payable to the Chairman as set out hereinabove.

The other terms and conditions of the appointment of Mr. Rajesh Sharma are as under:

1. Mr. Rajesh Sharma shall be entrusted with powers of management of the business of the Company. He shall faithfully and diligently serve the Company as Chairman in executive capacity and exercise such other powers and functions as may be conferred on him by the Board.
2. Mr. Rajesh Sharma shall not, while he continues to hold the office of Chairman, be subject to retirement by rotation.
3. Mr. Rajesh Sharma shall be posted in Mumbai.
4. Any discovery, invention made by Mr. Rajesh Sharma shall belong to the Company.
5. Mr. Rajesh Sharma shall maintain secrecy in regard to the affairs of the Company.
6. Mr. Rajesh Sharma shall not engage in any other business during the tenure of the Agreement.
7. The Company will reimburse Mr. Rajesh Sharma expenses incurred by him for traveling and entertainment in connection with the business of the Company.
8. So long as Mr. Rajesh Sharma functions as the Chairman, he shall not be interested directly or indirectly in any selling agency of the Company.

9. Should Mr. Rajesh Sharma by reason of ill-health or accident remain absent for a period of 180 days in a period of twelve consecutive months, the Company will be entitled to terminate his Agreement.
10. The Company shall be entitled to determine the Agreement, should Mr. Rajesh Sharma be negligent in discharge of his duties.
11. Either party shall be entitled to determine this Agreement by giving to the other six months' notice in writing.
12. Pursuant to the determination of the agreement by the Company, for and during the balance remaining period of Agreement OR 6 months from the date of determination whichever is later, Chairman shall be entitled to and the Company shall accordingly, pay to the Chairman, remuneration at the same rates specified in the schedule hereto.
13. After the termination of Mr. Rajesh Sharma's appointment, he will not represent himself as being interested in the Company's business.

None of the director or key managerial personnel (KMP) or relatives of directors or KMP is concerned or interested in the said Resolution, except Mr. Dinesh Sharma as relative and Mr. Rajesh Sharma as the resolution is for his appointment and remuneration payment.

The Board recommends the Resolution at Item No. 7 for approval by the Members.

None of the director or key managerial personnel (KMP) or relatives of directors or KMP is concerned or interested in the said Resolution, except Mr. Dinesh Sharma as relative and Mr. Rajesh Sharma as the resolution is for his appointment and remuneration payment.

The draft agreement to be entered into with Mr. Rajesh Sharma is available for inspection at the Registered office of the company on working days between 2:00 to 4:00 p.m.

Item No. 8

The Board of Directors upon recommendation of the Nomination & Remuneration Committee at its meeting held on August 2, 2024, appointed Mr. Indraneel Dutt, present Chief Executive Officer (CEO) of the company, as Managing Director and Key Managerial Person of the Company with effect from 1st October, 2024, subject to approval of the Members of the Company. In accordance with the provisions of Section 161 of the Companies Act, 2013, Mr. Indraneel Dutt is eligible to be appointed as a Director in the forthcoming Annual General Meeting. The Company has also received a notice in writing from a Member proposing the candidature of Mr. Indraneel Dutt to be appointed as a Director of the Company.

The Board of Directors, upon recommendation of Nomination and Remuneration Committee at its meeting held on 02nd August, 2024, also, approved the terms of remuneration payment to Mr. Indraneel Dutt as Managing Director for five years with effect from 1st October, 2024 subject to the approval of the members of the Company.

Mr. Indraneel Dutt has about 28 years of experience in the Energy, Renewable, Water & Environmental sectors and has worked across the complete Energy value chain including Thermal Generation, Renewable Energy (Wind & Solar), Oil & Gas, Transmission & Distribution (T&D), Electrical, Instrumentation (E&I) & Automation and Water & Environmental segments. He spent his early years with L&T and TATA Group. He then worked with General Electric (GE) for 20 years from 1999 to 2018 during which period Indraneel has led multiple GE businesses in South Asia. Before joining Ion Exchange (India) Limited, Mr. Indraneel Dutt was associated with DANAHER Water Business as P&Ls Managing Director including HACH, OTT, TROJAN UV, PALL Water, CHEMTREAT, McCrometer and SEABIRD Scientific in the South Asia region. He is a graduate in Mechanical Engineering from Jadavpur University, Kolkata and has done a full-time MBA (PDGM) from the Indian Institute of Management Calcutta (IIMC).

Mr. Indraneel Dutt is not disqualified from being appointed as Director in terms of section 164 of the Act and is not debarred from holding the office by virtue of any SEBI Order or any other authority and has given consent to act as Managing Director of the Company whose term of office shall not be liable to retirement by rotation.

The appointment is subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The main terms and conditions of the appointment are as under:

Basic Salary	: INR 11,00,000/- (Rupees Eleven Lakhs only) per month. He will be eligible for increment of INR 1 Lac (Rupees one lakh) per month on expiry of every 12 months.
Commission	: For each financial year at a rate to be decided by the Board of Directors but not exceeding 5 % of the net profits of the Company.
Housing	: i) Free furnished accommodation in case the accommodation is owned by the Company. ii) In case the accommodation is hired by the Company, expenditure by the Company on hiring furnished accommodation for the Managing Director will be subject to the ceiling of 60% of the basic salary over and above 10% payable by the Managing Director. iii) In case no accommodation is provided by the Company, the Managing Director shall be entitled to House Rent Allowance subject to the ceiling of 60 % of the Basic Salary.
Provident Fund	: 12% of the Basic Salary or as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and relevant rules thereof, in force.
Superannuation	: 15% of the Basic Salary
Gratuity	: 15 days Basic Salary for each year of service. Contribution to the provident fund, superannuation fund or annuity fund and encashment of leave at the end of the tenure will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
Leave Travel Allowance	: INR 3,00,000 (Rupees Three Lacs only) for the Managing Director and his family, once a year incurred in accordance with the rules of the Company.
Medical Benefits	: Reimbursement of medical expenses for the Managing Director, spouse and dependent children.
Club Fees	: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

The Expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962 and shall not exceed INR 2,00,000/- (Rupees Two Lac only) per annum.

Provision of car with driver and telephone at residence will not be considered as perquisites.

In case when in any financial year during the current tenure of the Managing Director, the Company has no profits or profits are inadequate, remuneration will be payable to the Managing Director as set out hereinabove.

The other terms and conditions of the appointment of Mr. Indraneel Dutt are as under:

1. Mr. Indraneel Dutt shall be entrusted with powers of management of the business of the Company. He shall faithfully and diligently serve the Company as Managing Director and exercise such other powers and functions as may be conferred on him by the Board.
2. Mr. Indraneel Dutt shall not, while he continues to hold the office of Managing Director be subject to retirement by rotation.
3. Mr. Indraneel Dutt shall be posted in Mumbai.
4. Any discovery, invention made by Mr. Indraneel Dutt shall belong to the Company.
5. Mr. Indraneel Dutt shall maintain secrecy in regard to the affairs of the Company.
6. Mr. Indraneel Dutt shall not engage in any other business during the tenure of the Agreement.
7. The Company will reimburse Mr. Indraneel Dutt expenses incurred by him for traveling and entertainment in connection with the business of the Company.

8. So long as Mr. Indraneel Dutt functions as the Managing Director, he shall not be interested directly or indirectly in any selling agency of the Company.
9. Should Mr. Indraneel Dutt by reason of ill-health or accident remain absent for a period of 180 days in a period of twelve consecutive months, the Company will be entitled to terminate his Agreement.
10. The Company shall be entitled to determine the Agreement, should Mr. Indraneel Dutt be negligent in discharge of his duties.
11. The Company may its sole discretion terminate the employment agreement without notice and/or salary in lieu of notice, if in the opinion of the Company, the continuance of Mr. Indraneel Dutt employment is detrimental to the interest of the Company. Provided that, in the event of termination as provided herein above, all benefits /perquisites / allowances shall stand forfeited immediately and Mr. Indraneel Dutt will only receive any statutory benefits as applicable to Mr. Indraneel Dutt on the date of termination.
12. In the event of a Change in Management and Board of Directors and in the event the new Management and Board of Directors ask the Managing Director to step down from his responsibilities, the Managing Director will be entitled to One Year of gross emoluments or total CTC as compensation for the loss of office, from the last date of employment.
13. Either party shall be entitled to determine this Agreement by giving to the other six months' notice in writing.
14. After the termination of Mr. Indraneel Dutt 's appointment he will not represent himself as being interested in the Company's business.

The Board recommends the Resolution at Item No. 8 for approval by the Members.

None of the director or key managerial personnel (KMP) or relatives of directors or KMP is concerned or interested in the said Resolution.

The draft agreement to be entered in to with Mr. Indraneel Dutt is available for inspection at the Registered office of the company on working days between 2:00 to 4:00 p.m.

Item No.9

The Board of Directors of the company on the recommendation of the Nomination and Remuneration Committee at its meeting held on 02nd August, 2024 had approved the change in Designation of Mr. Dinesh Sharma from Executive Director to Non-Executive Director – Non Independent Director and appointed him as Vice Chairman subject to approval of the shareholders effective from 1st October, 2024.

Further, to realign the constitution of the Board it is proposed to appoint Mr. Dinesh Sharma as Advisor holding an office or place of profit in the Company in terms of provisions of Article 88 and other applicable Articles of Association of the company and pursuant to Sections 188(1)(f) of the Companies Act, 2013 read with applicable rules. Mr. Dinesh Sharma in his role as Advisor, will guide and support the management team on all the matters related to the business of the Company.

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with related parties of the Company. As per Section 188 of the Companies Act, 2013 read with explanation and Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time, where such office or place is held by a director, if the director holding it receives from the company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise, it requires the prior approval of the shareholders if the monthly remuneration exceeds two and a half lakh rupees, i.e. Rs. 2,50,000/- per month. Further pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all fees or compensation, if any, paid to Non-Executive Directors, including Independent Directors and shall also require approval of shareholders in general meeting.

In accordance with Section 188(1)(f) of the Companies Act, 2013, read with applicable rules, and based on the recommendations and approvals of the Nomination and Remuneration Committee, Audit Committee, and the Board, the Company seeks approval from the members for Resolution No. 9 concerning the appointment of Mr. Dinesh Sharma as Advisor and holding an office or place of profit in the company. The holding of place of profit and remuneration proposed to be paid Mr. Dinesh Sharma is in the ordinary course of business and at arm's length basis transaction.

Mr. Dinesh Sharma has been an integral part of the company for over 15 years, during which time he has made significant contributions to the Company's growth. Mr. Dinesh Sharma has varied experience in the field of Marketing, Business Management and Management positions. He has been instrumental in leading the company's global expansion and establishing it as a leader in water and wastewater treatment solutions worldwide.

Considering Mr. Dinesh Sharma's qualification, experience and present role, it is proposed to pay him Compensation/Fee of INR 14,00,000/- (Rupees Fourteen Lacs only) per month plus performance incentive upto 1 (one) per cent of Net Profit after tax as may be decided by the Board of Directors, under the applicable provisions of Companies Act, 2013 and its allied rules and such other perquisites in accordance with the Company Rules.

The Board recommends the Resolution at Item No. 9 for approval by the Members.

None of the director or key managerial personnel (KMP) or relatives of directors or KMP is concerned or interested in the said Resolution, except Mr. Rajesh Sharma as relative and Mr. Dinesh Sharma as the resolution is for his appointment and remuneration payment.

Item No. 10

The Board of Directors of the company on the recommendation of the Nomination and Remuneration Committee at its meeting held on 02nd August, 2024 had approved the Change in Designation of Mr. Aankur Patni from Executive Director to Non-Executive Director Non Independent Director and appointed him as Vice Chairman subject to approval of the shareholders.

Further, to realign the constitution of the Board it is proposed to appoint Mr. Aankur Patni as Advisor holding an office or place of profit in the Company in terms of provisions of Article 88 and other applicable Articles of Association of the company and pursuant to Sections 188(1)(f) of the Companies Act, 2013 read with applicable rules Mr. Aankur Patni in his role as Advisor, will guide and support the management team on all the matters related to the business of the Company.

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with related parties of the Company. As per Section 188 of the Companies Act, 2013 read with explanation and Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time, where such office or place is held by a director, if the director holding it receives from the company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise, it requires the prior approval of the shareholders if the monthly remuneration exceeds two and a half lakh rupees, i.e. Rs. 2,50,000/- per month. Further pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all fees or compensation, if any, paid to Non-Executive Directors, including Independent Directors and shall also require approval of shareholders in general meeting.

In accordance with Section 188(1)(f) of the Companies Act, 2013, read with applicable rules, and based on the recommendations and approvals of the Nomination and Remuneration Committee, Audit Committee, and the Board, the Company seeks approval from the members for Resolution No. 10 concerning the appointment of Mr. Aankur Patni as Advisor and holding an office or place of profit in the company. The holding of place of profit and remuneration proposed to be paid to Mr. Aankur Patni is in the ordinary course of business and at arm's length basis transaction.

Mr. Aankur Patni has been an integral part of the company for over 15 years, during which time he has made significant contributions to its growth. Mr. Aankur Patni has varied experience in the field of Finance, Technology and Management. He has played a key role in driving the company's strategy, financial discipline, process improvements and the efforts to achieve leadership in domestic and global markets.

Considering Mr. Aankur Patni's qualification, experience and present role, it is proposed to pay him compensation/fee of INR 14,00,000 (Rupees Fourteen Lacs only) per month with plus performance incentive upto 1 (one) per cent of Net Profit after tax as may be decided by the Board of Directors, under the applicable provisions of Companies Act, 2013 and its allied rules and such other perquisites in accordance with the Company Rules.

The Board recommends the Resolution at Item No.10 for approval by the Members.

None of the director or key managerial personnel (KMP) or relatives of directors or KMP is concerned or interested in the said Resolution, except Mr. M.P. Patni as relative and Mr. Aankur Patni as the resolution is for his appointment and remuneration payment.

Item No. 11:

The Board of Directors upon recommendation of the Nomination & Remuneration Committee at its meeting held on August 02, 2024, appointed Mr. Amitava Guharoy as an Additional Director in the capacity of Independent Director subject to approval of the Members of the Company.

In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Amitava Guharoy shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director. The Company has also received a notice in writing from a Member proposing the candidature of Mr. Amitava Guharoy to be appointed as an Independent Director of the Company.

Mr. Amitava Guharoy is a distinguished professional with a robust background spanning over 35 years, marked by significant achievements across various global roles. He started his career as a partner at PwC, India and eventually moved to PwC, Singapore. He also led international business (revenues exceeding US\$ 500 million spread across multiple countries in Africa, India, Singapore & Australia). Currently, he is a member of the International Advisory Committee, KV Asia Capital. A gold medalist Chartered Accountant and an Harvard & INSEAD alumnus, his career has seen him serve in senior leadership roles in two global professional firms, as well as CEO & Board Director in regulated and listed companies and also advise prominent entities including MNCs, PE Funds, and large regional firms. His expertise encompasses strategic management, mergers and acquisitions, capital allocation, and shareholder value enhancement, having overseen transactions exceeding US\$10 billion.

A Harvard Advanced Leadership Initiative Fellow, Mr. Guharoy devoted a year to study Climate Change and Sustainability, delving into aspects such as scientific foundations, emission causes, and the economic implications of energy transitions. His role as a Certified Climate Risk Professional reflects his commitment to integrating climate-related governance, mitigation, and adaptation strategies into corporate frameworks. He holds certifications in Corporate Governance from INSEAD and is a Singapore Qualified Listed Entity Director and Senior Accredited Director.

In the opinion of the Board, Mr. Amitava Guharoy fulfils the conditions specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Director of the Company. The Company has received a declaration of independence from Mr. Amitava Guharoy. Further, the Company has also received Mr. Amitava Guharoy's consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In line with the Company's remuneration policy for Independent Directors, Mr. Amitava Guharoy will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors and commission of such sum as may be approved by the Board of Directors within the overall limits under Companies Act, 2013 of up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together. Details of remuneration paid to Independent Directors shall be disclosed as part of the Annual Report.

Draft letter of appointment of Mr. Amitava Guharoy setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode.

The Board recommends Resolution at Item No. 11 for the approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors or KMP is concerned or interested in the Resolution at Item No. 11 of the accompanying Notice.

Item No. 12:

The Board of Directors upon recommendation of the Nomination & Remuneration Committee at its meeting held on August 02, 2024, appointed Mr. Gopalaraman Padmanabhan as an Additional Director in the capacity of Independent Director subject to approval of the Members of the Company.

In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Gopalaraman Padmanabhan shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director. The Company has also received a notice in writing from a Member proposing the candidature of Mr. Gopalaraman Padmanabhan to be appointed as an Independent Director of the Company.

Mr. Gopalaraman Padmanabhan, is a seasoned banking professional with over 35 years of experience at the Reserve Bank of India (RBI). He holds a postgraduate degree in Economics from Kerala University and an MBA from Birmingham Business School. Mr. G. Padmanabhan's expertise includes bank regulation, supervision, and the development of financial markets in India. He chaired the GIRO implementation committee and led initiatives such as the e-Treasury system and ISO 20022-based RTGS System at RBI. He also served as Non-Executive Chairman of Bank of India from August 2015 to August 2020 after retiring as

Executive Director from RBI. He advises on banking, foreign exchange, and regulatory issues and holds board positions at Axis Bank, Haldyn Glass Limited, and IIBX, Gift City. He is also a senior consultant with AZB and Partners.

In the opinion of the Board, Mr. Gopalaraman Padmanabhan fulfils the conditions specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Director of the Company. The Company has received a declaration of independence from Mr. Gopalaraman Padmanabhan. Further, the Company has also received Mr. Gopalaraman Padmanabhan's consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In line with the Company's remuneration policy for Independent Directors, Mr. Gopalaraman Padmanabhan will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors and commission of such sum as may be approved by the Board of Directors within the overall limits under Companies Act, 2013 of up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together. Details of remuneration paid to Independent Directors shall be disclosed as part of the Annual Report.

Draft letter of appointment of Mr. Gopalaraman Padmanabhan setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode.

The Board recommends Resolution at Item No. 12 for the approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors or KMP is concerned or interested in the Resolution at Item No. 12 of the accompanying Notice.

Item No. 13:

The Board of Directors upon recommendation of the Nomination & Remuneration Committee at its meeting held on August 02, 2024, appointed Mrs. Alka Arora Misra as an Additional Director in the capacity of Independent Director subject to approval of the Members of the Company.

In accordance with the provisions of Section 161 of Companies Act, 2013, Mrs. Alka Arora Misra shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director. The Company has also received a notice in writing from a Member proposing the candidature of Mrs. Alka Arora Misra to be appointed as an Independent Director of the Company.

Mrs. Alka Arora Misra until recently was the Chairperson, Odisha Skill Development Authority and the Chief Executive Officer for the World Skill Centre. The World Skill Center (WSC) is a premier advanced skill training institute established by the Government of Odisha, Skill Development and Technical Education Department, in collaboration with Institute of Technical Education Services (ITEES), Singapore as the knowledge partner.

Mrs. Misra serves on the Board of Directors of Rajratan Global Wires Ltd. as an Independent Director who are manufacturers and suppliers of High Tensile Steel Wires mainly Tyre Bead Wire which is used as an important component for making Tyres. She is also a Director on the Board of TransIndia Realty & Logistics Parks Ltd. which is engaged in the business of construction & leasing of Logistics Parks, leasing of land & commercial properties & Engineering Solutions and other related businesses. She has been recently appointed as Director in National Highway Logistics Management Limited, responsible for spearheading pivotal initiatives aimed at improving transport logistics, infrastructure, and asset monetization. Also serves on the Governing Board of PRADAN, an CSO that work for change that is sustainable and self-perpetuating, bringing skills and systems that help women, families and communities to gain confidence and take charge of their own lives.

In the opinion of the Board, Mrs. Alka Arora Misra fulfils the conditions specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Director of the Company. The Company has received a declaration of independence from Mrs. Alka Arora Misra. Further, the Company has also received Mrs. Alka Arora Misra's consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that she is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In line with the Company's remuneration policy for Independent Directors, Mrs. Alka Arora Misra will be entitled to receive remuneration by way of sitting fees as approved by the Board of Directors and commission of such sum as may be approved by the Board of Directors within the overall limits under Companies Act, 2013 of up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together. Details of remuneration paid to Independent Directors shall be disclosed as part of the Annual Report.

Draft letter of appointment of Mrs. Alka Arora Misra setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode.

The Board recommends Resolution at Item No. 13 for the approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors or KMP is concerned or interested in the Resolution at Item No. 13 of the accompanying Notice.

Item No. 14 and 15 :

In order to align the Memorandum of Association (MOA) and Articles of Association (AOA) of the Company with the relevant provisions under the Companies Act, 2013, and associated rules, it is proposed to replace the existing MOA and AOA in accordance with the provisions of Table A and Table F, respectively.

The current object clause (Clause III) of the MOA, which is based on the Companies Act, 1956, needs to be revised to comply with the Companies Act, 2013. The 2013 Act stipulates that a company's MOA should only include matters necessary for furthering the objects specified in Clause III(A), and should not contain additional object clauses. Accordingly, it is proposed to alter and restate the heading of the existing Clause 3(1A) to 3(1R) under Clause III (A), to be titled as "The Objects to be pursued by the Company on its Incorporation, and alter and restate the existing Clauses 3(2) to 3(34) under Clause III (B) to be titled as " Matters which are necessary for furtherance of the objects specified in Clause III (A). This will ensure the MOA aligns with the provisions of Companies Act, 2013.

Similarly, the existing AOA needs amendment to align with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Due to the extensive nature of required changes, it is deemed expedient to adopt a new AOA to replace the existing one. During this process, the serial numbers of the AOA clauses will be updated and renumbered.

In accordance with Sections 13 and 14 of the Companies Act, 2013, a special resolution must be passed by the members to approve the amended and restated MOA and AOA. Copies of the revised MOA and AOA will be available for inspection by members at <https://ionexchange.global.com/> and at the Corporate Office of the Company from 11:00 AM to 1:00 PM on all working days. They will also be available at the meeting.

The Board recommends that the resolutions outlined in Item Nos. 14 and 15 of the accompanying notice be approved by the members through a special resolution.

None of the Directors, Key Managerial Personnel, or their relatives have any interest or concern in the resolutions set out in Item Nos. 14 and 15 of the Notice.

Item No. 16:

Section 197 of the Act permits payment of Commission/Remuneration to Non-Executive Directors of the Company, if the Company authorises such payment by way of a resolution of Members. Regulation 17(6)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 authorises the Board of Directors to recommend all fees and compensation, if any, to Non-Executive Directors, including Independent Directors and shall require approval of members in general meeting. The Members of the Company at the Fifty-Seventh Annual General Meeting of the Company held on August 24, 2021, approved of the payment of Commission/Remuneration to Non-Executive Directors of the Company not exceeding one percent per annum of the net profits of the Company for a period of five years commencing from April 1, 2020.

Considering the compensation/remuneration proposed to be paid to other Non-Executive Directors of the Company, it is necessary to increase this limit to five per cent per annum of the net profits of the Company calculated in accordance with provisions of Section 197 of the Act, in accordance with the recommendations of the Nomination and Remuneration Committee and approved by the Board of Directors of the Company. Such payment will be in addition to the sitting fees for attending Board/Committee meetings.

The Non-Executive Directors of your Company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as marketing, technology, corporate strategy, information systems and finance. The Board is of the view that it is necessary to pay commission/remuneration to the Non-Executive Directors commensurate with their roles and responsibilities and the Board should have flexibility in determining the amount payable to Non-Executive Director(s). The

Nomination and Remuneration Committee and Board of Directors will decide the maximum commission/remuneration payable to each of the Non-Executive Directors. The total Commission/Remuneration to all the Non-Executive Director(s) shall not exceed 5 (five) percent of the net profits of the Company in any fiscal year (computed in the manner provided in Section 197 and 198 of the Companies Act, 2013) plus GST at the applicable rate.

The Board recommends the Resolution at Item No. 16 of the accompanying Notice for approval by the Members.

All the Directors of the Company and their relatives (except Managing Director and his relatives) are concerned or interested in the resolution at Item no. 16 of the notice to the extent of the remuneration that may be received by each of these Directors. None of the other Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned or interested in the resolution at Item no. 16 of the notice.

Registered Office:

Ion House
Dr. E. Moses Road
Mahalaxmi
Mumbai 400 011

CIN: L74999MH1964PLC014258

By Order of the Board

Milind Puranik
Company Secretary

Mumbai, 2nd August, 2024

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting the 60th Annual Report and Accounts for the financial year ended 31st March, 2024.

FINANCIAL RESULTS

The highlights of the financial results are as follows:

(INR in Lacs)

Particulars	Standalone		Consolidated	
	Year ended March 2024	Year ended March 2023	Year ended March 2024	Year ended March 2023
Revenue from operations	218,004.15	189,233.48	234,784.92	198,960.93
Others Income	4,704.44	4,500.80	4,388.38	4,106.84
Earnings before interest, taxes, depreciation	31,403.11	28,288.24	31,582.04	29,605.52
Finance Cost	673.24	895.54	1,206.20	919.98
Depreciation and amortization expenses	3,295.20	2,813.02	3,640.51	2,908.67
Profit before taxation	27,434.67	24,579.68	26,735.33	25,776.87
Add: Share of profit/(loss) of equity accounted investee (net of income tax)	-	-	154.08	93.43
Less: Provision for taxation:				
Current tax	6,737.13	6,203.94	7,098.80	6,467.63
Deferred tax	288.00	(137.86)	255.37	(93.96)
Profit after tax	20,409.54	18,513.60	19,535.24	19,496.63
Other comprehensive income (Net of Taxes)	(88.39)	(234.31)	(27.74)	(166.29)
Total Comprehensive income	20,321.15	18,279.29	19,507.50	19,330.34

OPERATIONS

During the financial year ended 31st March, 2024, the net profit after tax of the company on standalone basis has increased to INR 20,409.54 Lacs as compared to previous year's net profit after tax of INR 18,513.60 Lacs showing an increase of 10.2 percent over the previous year on standalone basis. The Company has achieved a turnover of INR 2,180 crores as compared to INR 1,892 crores for the previous year.

Previous year's figures have been restated to take into consideration amalgamation of Global Composites and Structurals Limited and Ion Exchange Environment Management Limited with Ion Exchange (India) Limited.

DIVIDEND

For the Financial Year 2023-24, the Board has recommended a dividend of INR 1.50 per Equity Share of face value of INR 1/- each (previous year: INR 1.25 per Equity share of face value of INR 1/- each).

FUTURE OUTLOOK

Global GDP growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025, with little change from 3.1 percent in 2023. This is weaker than seen in the decade before the global financial crisis but is close to estimated potential growth rates in advanced and emerging market economies.

As we look to the future, several key trends are expected to shape the global economic and political landscape, impacting various industries, including the water and environment sectors.

With ongoing geopolitical tensions, such as the Israel-Hamas conflict, the attacks in the Red Sea and the aftermath of the Russia-Ukraine war, political stability in many regions remains uncertain, potentially affecting international trade and investment. The global economy is projected to continue its moderate growth in 2024, with advanced economies gradually accelerating while emerging markets face more significant challenges due to climate change, resource constraints, and social unrest.

The global economy is expected to rebound in 2025 with decreased election uncertainties and potential rate cuts from Western central banks. In India, improved capital flows are anticipated to boost private investment and exports, though inflation may ease only in the latter half of the next fiscal year. The focus is on emerging consumer spending patterns, with a rise in middle-income households driving demand for luxury goods and services. However, the challenge of rising household debt and falling savings could impact long-term growth. Controlling household debt is crucial to ensure economic stability and protect households from financial vulnerability. By the end of 2025, most significant economies expect inflation to return to central bank targets.

India's economy is forecast to expand by 6.9 percent in 2024 and 6.6 percent in 2025. The water and environment industry is poised for substantial growth, driven by rapid urbanization, private investment in infrastructure development and government initiatives such as the Jal Jeevan Mission and the Clean Ganga Project. However, challenges like water scarcity,

pollution, and inadequate infrastructure will require robust solutions and collaborative efforts from the public and private sectors.

India has a unique opportunity to become a low-carbon economic powerhouse, avoiding the environmental mistakes of other nations consistent with its vision to achieve net zero goals by 2070 and renewable energy output of 500 GW by 2030 with green hydrogen production of 5 Million Metric tonnes by 2030. Achieving this will require more than just investment in clean energy but also sustainable water resources. The government's Panchamrit initiative, outlined at COP26 in 2021, has already set ambitious climate targets, including tripling non-fossil fuel capacity within six years to meet 50 percent of India's energy needs. If successful, this initiative could reduce carbon emissions by 1 billion tonnes by 2030, achieving a carbon intensity of GDP of less than 45 percent and reaching net zero emissions by 2070.

Technological advancements will drive significant transformations across industries. Innovations in artificial intelligence, machine learning and the Internet of Things (IoT) are anticipated to revolutionize water management systems, making them more efficient and responsive to real-time data. Sustainable practices with resource recoveries, waste to resource and green technologies will become increasingly crucial as businesses and governments prioritize environmental responsibility and compliance with the United Nations Sustainable Development Goals.

Strategy to ensure Business Continuity & Growth

To ensure business continuity and growth, companies should embrace cutting-edge technologies like GenAI, IoT, and advanced data analytics to enhance efficiency and develop innovative solutions. GenAI captures 30 percent of the entire market and will command a value of around \$60 billion by 2025. Integrating sustainable practices into core operations is crucial for reducing environmental impact and aligning with global ecological goals. Exploring new markets and diversifying the product portfolio can mitigate geopolitical risks and create growth opportunities. Strategic partnerships with technology leaders and research institutions can drive innovation, while resilient supply chain management ensures stability and minimizes disruptions. Investing in talent development fosters a skilled workforce and a culture of continuous learning. Finally, a customer-centric approach, focusing on personalized services and strong relationships, can secure long-term loyalty and repeat business. Future output and productivity growth must be bolstered through ambitious structural policy reforms to enhance human capital and leverage technological advances.

India is poised to balance environmental awareness with economic development. Adopting a green growth model tailored to the country's needs, will also aim to generate employment for its multi-talented youth, can position India as a leader in the global fight against climate change.

FINANCIAL RESOURCES

Fixed Deposits

The Company has not accepted any deposits during the year, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

SUBSIDIARY COMPANIES

Aqua Investments (India) Ltd. and Watercare Investments (India) Ltd

During the year ended 31st March, 2024, the Subsidiary Companies M/s. Aqua Investments (India) Limited posted profit after tax of INR 38.98 Lacs compared to INR 31.99 Lacs of the previous year and M/s. Water Care Investments (India) Ltd. posted profit after tax of INR 29.09 Lacs compared to INR 24.05 Lacs of the previous year.

Ion Exchange Enviro Farms Limited (IEEFL)

The Company achieved revenue of Rs. 197.88 Lacs during the year 2023-24 as against previous year income of Rs. 157.17 Lacs.

Pursuant to the appeal filed in Supreme Court against the Securities Appellate Tribunal (SAT) Order of 19th March 2021 and based on legal advice, the Company appointed SEBI empaneled auditors to conduct Special Audit. This Special Audit Report along with additional affidavit was submitted to Supreme Court and after considering the Audit Report and the Company's submissions, supreme Court granted liberty to the Company to approach SEBI with additional material. The Company accordingly made detailed presentation to SEBI with a request for reconsideration of SEBI's earlier directions. SEBI thereafter appointed another independent auditor, who has confirmed that substantially the investors were transferred developed land and submitted its report to SEBI. SEBI thereafter sought certain clarifications from the company which were provided. However SEBI vide order dated 16th May 2024 issued by Recovery Officer stated that transfer of developed land can not be considered as repayment of money and directed the company to deposit an amount of INR 2,202 Lacs towards repayment of money to the investors. The company has once again represented with SEBI to reconsider the matter and has also initiated further steps as per legal advice.

Ion Exchange Asia Pacific Pte Ltd., Singapore and Ion Exchange Asia Pacific (Thailand) Ltd., Thailand and Pt Ion Exchange Asia Pacific, Indonesia

The Company achieved consolidated operating income of INR 1982.42 Lacs during the year under review as compared to INR 1808.26 Lacs in previous year. The Company made consolidated net profit after tax of INR 4.15 Lacs as compared to net profit after tax of INR 15.46 Lacs.

The Company has good order backlog at the year end and many new orders are at advanced stage of negotiations. The Company has increased sale of products such as Resins, Chemicals and Membranes during the year. The Company is confident to improve its revenue and profitability in the current year.

IEI Environmental Management [M] SDN.BHD, Malaysia

The Company appointed Official Liquidator for winding up of the company and also applied for voluntary winding up of the company during March 2024.

Ion Exchange Environment Management (BD) Limited, Bangladesh

The Company achieved turnover of INR 1,308.92 Lacs during the year as compared to INR 1213.83 Lacs in the previous year. The Company made net profit after tax of INR 50.61 Lacs as compared to loss of INR 42.30 Lacs.

The growth of business during the year under review was affected due to the economic and financial conditions of the country particularly the restrictions imposed by their Central Bank on foreign exchange transactions. The Bangladesh economy is one of the major growing developing economies. It has seen robust growth after the Pandemic with macro-economic stability and improvement in infrastructure and trade flows.

Your Company is focusing on Textile Segment and Infrastructure projects of government and municipal authorities for higher growth in its operations.

Ion Exchange WTS (Bangladesh) Limited, Bangladesh

The Company is currently not in operation.

Ion Exchange & Co. LLC, Oman

The Company achieved a turnover of INR 2368.58 Lacs during the year under review compared to INR 2064.41 Lacs in the previous year. The Company made net profit after tax of INR 164.06 Lacs. Major revenue is from Operations & Maintenance of water treatment plants in Oman. The existing O & M order from PDO is in force till December 2024. The company is also providing O & M services to other medium and small customers for optimum utilization of its resources.

In order to achieve higher growth and returns the Company is aggressively bidding for O & M contracts across all sectors and offering competitive pricing for supply of plants and projects including O & M services. Oman economy is on recovery path after it witnessed slump due to Covid pandemic. This has helped the Company to show growth during the year under review and are hopeful that the Company will continue its growth trajectory in the coming years.

Ion Exchange LLC, USA

The Company achieved a turnover of INR 4835.03 Lacs for the year under review as compared to INR 5361.17 Lacs in the previous year. Net profit after tax is INR 188.32 Lacs as compared to INR 392.58 Lacs in previous year. The lower turnover and higher input costs have affected company's profitability during the year under review.

Ion Exchange Projects and Engineering Limited

The Company achieved a turnover of INR 3009.57 Lacs for the year under review as against INR 3978.34 Lacs in previous year.

The Company incurred loss of INR 757.15 Lacs for the year as against profit after tax of INR 761.90 Lacs.

The Company provides Project Management services and design services to the parent company for its ongoing contracts.

The Scheme of Amalgamation of Ion Exchange Projects and Engineering Limited with Ion Exchange (India) Limited has been returned by Bombay Stock Exchange and National Stock Exchange. Therefore, the Board of Directors of Ion Exchange (India) Limited has decided to withdraw the said scheme and to refile an amended scheme in due course of time.

Ion Exchange Safic (Pty) Limited, South Africa

The Company achieved a turnover of INR 1977.54 Lacs during the year under review as compared to INR 2000.89 Lacs in the previous year and the Company made a net profit after tax of INR 61.84 Lacs for the year as compared INR 66.77 Lacs in the previous year. The decrease in turnover in INR is due to devaluation of ZAR during the year but in terms of ZAR the sale has grown by 6%.

The current strategy is to increase growth across geography by appointing more retainers and distributors.

Ion Exchange Arabia For Water

The Company achieved higher turnover of INR 1969.00 Lacs during the year under review compared to INR 721.54 Lacs in previous year. The company incurred loss of INR 138.74 Lacs compared to INR 233.35 Lacs in previous year.

The Company is in the process of strengthening its sales & marketing network to cover Riyadh and Jeddah area. The chemical business segment is given top priority and sales team appointed in Riyadh and Jeddah area. Also, the chemical blending facility is in the process of being operational during current year. The company is hopeful of improving its performance in the coming years.

Total Water Management Services (India) Ltd.

The Company achieved a turnover of INR 54.99 Lacs for the year under review, as against INR 31.15 Lacs for the previous year.

The Company is in the business of providing total water management consultancy across the spectrum.

Ion Exchange Purified Drinking Water Pvt. Ltd.

The Company achieved a turnover of INR 1724.21 Lacs for the year under review, as against INR 1874.45 Lacs for the previous year. The Company made profit after tax of INR 208.03 Lacs as compared to INR 238.53 Lacs in previous year.

The Company is set-up as a special purpose vehicle to implement PPP (Public Private Partnership) project for bottle water supply to Indian Railway Catering and Tourism Corporation Limited (IRCTC).

Ion Exchange Europe, LDA

The Company achieved a turnover of INR 1829.57 Lacs for the year under review as compared to INR 1188.68 Lacs in previous year. The company achieved net profit after tax of INR 104.25 Lacs as compared to INR 97.87 Lacs in previous year.

MAPRIL - Produtos Químicos e Maquinas Para a Industria, Lda

During the year under review, Ion Exchange (India) Limited acquired 100% stake in MAPRIL - Produtos Químicos e Maquinas Para a Industria, Lda, (MAPRIL), Portugal on 22nd June, 2023. The Company acquired 11,11,000 Equity shares of MAPRIL for a total consideration of INR 24 Crores. The Company is an existing manufacturing and distribution company in Portugal.

The Company achieved a turnover of INR 9268.68 Lacs for the year under review since the date of acquisition. The company made net profit after tax of INR 254.90 Lacs.

Scheme of Amalgamations

During the previous year, the Board had approved the scheme of Amalgamation of Global Composites and Structurals Limited and Ion Exchange Environment Management Limited (wholly owned subsidiaries) with Ion Exchange (India) Limited. We are pleased to inform you that we have received the formal approval from the NCLT, Mumbai Bench and all other regulatory/governmental authorities for the amalgamation.

During the previous year, the Board had approved the scheme of Amalgamation between Ion Exchange Projects and Engineering Limited (Subsidiary Company) with Ion Exchange (India) Limited. Further the Company has received a letter from BSE Ltd. and National Stock Exchange of India Limited (NSE), informing that the captioned Scheme has been returned due to reasons stated in their letter, the copy of which is available on the website of the respective Stock Exchanges.

In light of the above, the Board of Directors at its meeting held on March 21 & March 22, 2024, decided not to currently proceed with the Scheme and thereby withdraw the said Scheme and is also contemplating that an amended scheme shall be refiled in due course of time.

ACQUISITION

ASSOCIATE AND JOINT VENTURE COMPANIES

A statement as required under Section 129 of the Companies Act, 2013, is attached to the Annual Report in form AOC – 1.

DIRECTORS

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors have, on 2nd August, 2024, approved the appointment of Mr. Amitava Guharoy, Mr. Gopalaraman Padmanabhan, and Mrs. Alka Arora Misra as Additional Directors in the capacity of Independent directors, subject to the approval of the shareholders of the company. Necessary resolution for the appointment is being placed for the approval of the shareholders as part of the notice of the 60th AGM.

Mr. M.P. Patni, Director of the company, retires by rotation and being eligible has offered himself for re-appointment.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the management.

BOARD PERFORMANCE EVALUATION

Pursuant to the provisions of the Section 149 Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Committees. The evaluation was done after taking into consideration the criteria laid down by Nomination and Remuneration committee. The criteria for evaluation included participation in deliberations, specific contributions made,

compliance with company's code of conduct, carrying out assigned tasks in timely and efficient manner and planning and formulating the company's strategies. The performance evaluation of Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman, Non- Independent Directors and the Board and its Committee was carried out by Independent Directors. The Board of Directors expressed satisfaction with the evaluation process.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- In the preparation of the annual accounts for the year ended 31st March, 2024, the applicable accounting standards have been followed along with proper explanation given relating to material departures, if any;
- Appropriate accounting policies have been selected and applied consistently and judgments and estimates were made that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities have been taken to the best of their knowledge;
- The annual accounts have been prepared for the financial year ended 31st March, 2024 on a going concern basis.
- Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

KEY MANAGERIAL PERSONNEL

The Company has following persons as Key Managerial Personnel.

Sr. No.	Name of the Person	Designation
1	Mr. Rajesh Sharma	Chairman & Managing Director
2	Mr. Vasant Naik	Chief Financial Officer
3	Mr. Milind Puranik	Company Secretary

NUMBER OF MEETINGS OF THE BOARD

The details of number of meetings of the Board held during the financial year 2023-24 forms part of the Corporate Governance Report.

WHISTLE BLOWER POLICY

The Company has a whistle blower policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company [<https://ionexchange.global.com/pdf/ionindia/Whistle%20Blower%20Policy.pdf>]

RELATED PARTY TRANSACTIONS

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of section 188 of the Companies Act, 2013 are not attracted. Further, there are no material related party transactions under review with the promoters, directors or key managerial personnel. The Company has developed a related party transactions framework through standard operating procedures for the purpose of identification and monitoring of such transactions.

As per the policy on Related Party Transactions, the Audit Committee granted omnibus approval for the transactions which are repetitive in nature. The related party transactions were placed before the Audit Committee and the Board on quarterly basis for review, pursuant to omnibus approval.

The policy on related party transactions as approved by the board of directors has been uploaded on the website of the company. The web link of the same has been provided in the corporate governance report. None of the directors has any pecuniary relationship vis-à-vis the Company.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

QUALITY INITIATIVES

Ion Exchange prioritizes quality as a key strategic parameter. All facilities adhere to standardized systems to ensure exceptional experiences and are certified for ISO 9001:2015 Quality Management System. Internal quality norms are regularly reviewed to meet required standards, focusing on process excellence through 'Lean Six Sigma.'

We are committed to enhancing quality, delivery, innovation, and efficiency in its business processes to achieve best-in-class performance. The quality of incoming materials is regularly monitored to meet company standards, ensuring high-quality solutions for customers and setting new benchmarks in the industry.

Certifications and Standards

Manufacturing Facilities:

- Resins (Ankleshwar, Gujarat): Certified for ISO 14001:2015 Environmental Management System, WHOGMP, NSF/ANSI/CAN, Kosher, Halal, EU and Canadian Health, GMP, GLP, ICIM.
- Chemicals (Patancheru, Telangana): Certified for ISO 14001:2015 and ISO45001:2018 Occupational Health and Safety Management System. Holds Kosher, Halal, NSF/ANSI, GOTS, REACH, ZDHC MRSL, IIP-UN certifications.
- Membrane (Goa): Certified for ISO 14001:2015 and ISO 45001:2018 Occupational Health and Safety Management System.

R&D Laboratories:

- Patancheru and Vashi: Certified by DSIR.
- Bangalore: Certified by NABL.

Service Site:

- Bhatinda: Renewed ISO 45001:2018 Occupational Health and Safety Management System certificate.
- Technology Division: Obtained ISO 13485:2016 Quality Management System for Medical Devices.

AUDITORS

Statutory Auditors

Statutory Auditors M/s B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) will complete their present term on conclusion of the ensuing 60th AGM. There is no incident of fraud requiring reporting by the Auditors under Section 143(12) of the Act.

Pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Audit Committee and the Board of Directors, it is proposed to appoint M/s Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No. 117366W/W-100018) as the Statutory Auditors of the Company, to hold office for a term of five

consecutive years from the conclusion of the 60th Annual General Meeting (AGM) until the conclusion of the 65th Annual General Meeting of the Company to be held in the year 2029, on such remuneration as may be mutually agreed upon between the Board of Directors and the statutory auditors.

Branch Auditors

The Branch Auditors, M/s. Angadi & Co., appointed to conduct Audit of Ion Exchange Services [A division of Ion Exchange (India) Limited], Bengaluru, hold office until the conclusion of this meeting and are eligible for appointment. Pursuant to the provisions of section 139 and 143(8) of the Companies Act 2013 and rules framed there under, it is proposed to appoint M/s. Angadi & Co., as branch auditors of the Company from the conclusion of forthcoming AGM till the conclusion of next AGM.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Chemicals, Membranes and Standard water treatment plants manufacturing activity are required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s. Kishore Bhatia & Associates to audit the cost accounts of the Company for the financial year ending 31st March, 2025. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s. Kishore Bhatia & Associates, Cost Auditors is included in the Notice convening the Annual General Meeting.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 (The Act), read with the Companies (Accounts) Rules, 2014, SEBI (Listing Regulations) and Ind AS 110 – Consolidated Financial Statements and Ind AS 28 – Investment in Associates and Joint Venture – the audited consolidated financial statements are provided in this report.

The consolidated financial statements have been prepared on the basis of the audited financial statements of the company, its Subsidiaries, Joint Venture and Associate companies, as approved by their Board of Directors.

The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies are placed on Company's website and the same are open for inspection at the Registered Office of the Company.

CORPORATE GOVERNANCE

A report on Corporate Governance as required under Regulation 34 of Listing Regulations read with Schedule V (Part C) forms part of this annual report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Report on Management discussion and analysis as required under Regulation 34 of Listing Regulations forms part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility Report as Required under Regulation 34 of Listing Regulations read with Schedule V (Part B) forms part of this Annual Report.

ANNUAL RETURN

The annual return of the Company as required under the Companies Act, 2013 will be available on the website of the Company <https://ionexchange.global.com/investor-relation/annual-return/>

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. GMJ & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure I".

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a part of its initiative under the "Corporate Social Responsibility" (CSR) drive, the Company has undertaken projects in the areas of environment, education and safe drinking water. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR Policy. The Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as "Annexure II" forming part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Information in accordance with Section 134(3)(m) of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014 and forming part of this Report for the year ended 31st March, 2024 is given in "Annexure III".

COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors of the company hereby confirm that, during the period under review the company has complied with the provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

ACKNOWLEDGEMENTS

Your Board conveys its deep appreciation of the co-operation extended by customers, suppliers, banks, financial institutions, contribution made by employees for the company's growth, shareholders and fixed deposit holders.

On behalf of the Board of Directors

Rajesh Sharma
Chairman & Managing Director

Mumbai

Date: 02nd August, 2024

Annexure I
FORM MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST March, 2024

((Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,
Ion Exchange (India) Limited
Ion House, Dr. E. Moses Road,
Mahalaxmi, Mumbai - 400 011

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices **ION EXCHANGE (INDIA) LIMITED** (hereinafter called "**the Company**") bearing **CIN L74999MH1964PLC014258** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions of the applicable Acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable during the period of audit]**.
 - f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **[Not applicable during the period of audit]**.
 - g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the period of audit]**.
 - h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not applicable during the period of audit)**.
 - i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable during the period of audit]**.
 - j) The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018; **[Not applicable during the period of audit]**.
- vi. We have relied on the representation made by the Company and its Officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations which are mentioned as under:
 - a) The Trade Marks Act, 1999 and The Copy Right Act, 1957;

- b) The Legal Metrology Act, 2009;
- vii. We report that the Company operates in manufacturing of water treatment chemicals, water treatment products and water treatment plants and apart from Labour Laws and Environment, Pollution and safety related compliances no specific Acts were applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India;
- b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (NSE) read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Board Committee Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the information provided and the representation made by the Chief Financial Officer/Company Secretary, taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period under review, the Company has undertaken following event/action(s) having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

the National Company Law Tribunal, Mumbai Bench vide its Order dated 21st February, 2024 has approved the Scheme of Amalgamation of Global Composites and Structural Limited and Ion Exchange Environment Management Limited with Ion Exchange (India) Limited under section 230 to 232 of the Companies Act 2013 and other applicable provisions of the Companies Act 2013 (the "Scheme"). The order was filed by the company with the Registrar of Companies on 29th March, 2024.

For **GMJ & ASSOCIATES**
Company Secretaries

[CS PRABHAT MAHESHWARI]
PARTNER

M. No. : FCS 2405

COP No. : 1432

PEER REVIEW CERTIFICATE NO.: 647 /2019

UDIN: F002405F000479838

PLACE : MUMBAI

DATE : 29TH MAY, 2024

Note: This report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this report.

ANNEXURE I

To,
The Members,
Ion Exchange (India) Limited
Ion House, Dr. E. Moses Road,
Mahalaxmi,
Mumbai - 400 011

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**
Company Secretaries

[CS PRABHAT MAHESHWARI]
PARTNER
M. No. : FCS 2405
COP No. : 1432
PEER REVIEW CERTIFICATE NO.: 647 /2019
UDIN: F002405F000479838

PLACE : MUMBAI
DATE : 29TH MAY, 2024

Annexure II

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act
and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1) Brief outline on CSR Policy of the Company:

The CSR policy was approved by the Board of Directors at its Meeting held on 17th March, 2015 and has been uploaded on the Company's website.

All projects under the Ion Exchange umbrella are implemented by Ion Foundation, a Company incorporated under Section 8 of the Companies Act, 2013.

The focus areas are Education, Health & Hygiene and Environment for initiatives near our Company's manufacturing sites, besides other locations.

2) Composition of Corporate Social Responsibility (CSR) Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. V. N. Gupchup	Chairman	2	2
2.	Ms. Kishori J. Udeshi	Member	2	2
3.	Mr. M. P. Patni	Member	2	2
4.	Mr. Rajesh Sharma	Member	2	2

3) The web-links where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company are provided below:

The composition of the CSR Committee:

<https://ionexchangeglobal.com/app/uploads/2022/06/Composition-of-Committees-of-the-Board-of-Directors.pdf>

CSR Policy: <https://ionexchangeglobal.com/pdf/ionindia/CSR%20Policy.pdf>

CSR Projects: <https://ionexchangeglobal.com/app/uploads/2023/07/11.-CSR-Annual-Action-Plan-for-the-year-2023-24.pdf>

4) The Executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – Not Applicable

- 5)**
- Average net profit of the Company as per section 135(5) of the Companies Act, 2013 – INR 2,174,523,152
 - Two percent of average net profit of the Company as per section 135(5) of the Companies Act, 2013 - INR 43,490,463
 - Surplus arising out of the CSR Projects or programmes or activities of the previous financial years – NIL
 - Amount required to be set off for the financial year, if any – INR 17,362
 - Total CSR obligation for the financial year (5b+5c-5d) - INR 43,473,101
- 6)**
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - INR 43,205,057
 - Amount spent in Administrative overheads - INR 268,044
 - Amount spent on Impact Assessment, if applicable – Nil
 - Total amount spent for the Financial Year [(a) + (b) + (c)] - INR 43,473,101

e. CSR amount spent or unspent for the Financial Year: As per below given table

Total Amount Spent for the Financial Year (in INR)	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
43,473,101	NA	NA	NA	NA	NA

f. Excess amount for set-off, if any: Please see the note below:

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	*Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

Note : *Excess CSR amount of Rs. 27,873/- spent in the financial year 2022-23 was carried forward and is available for set off for succeeding three years, out of which only Rs. 17,362/- was set-off for the year 2023-24. Thus, the balance amount of Rs. 10,511/- is available for set off for succeeding 2 years.

7) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Nil

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer	
NA	NA	Nil	Nil	NA	Nil	NA	Nil

8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

Sd/-

Rajesh Sharma
Chairman & Managing Director

Sd/-

Dr. V. N. Gupchup
Chairman of CSR Committee

Mumbai

Date: 29th May, 2024

ANNEXURE III

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information under Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 (3) of Companies (Accounts) Rules, 2014, is given herein below:

(A) Conservation of Energy and Water

Energy Intensity Reduction:

- Annual diesel saving: 10,350 Ltr
- Reduction of Diesel Consumption intensity by 31% in FY 23-24 compared to FY 22-23

Water Intensity Reduction:

- 2288 KL of ETP RO permeate water reused
- Reduction of Water consumption intensity by 0.14 KL/MT in FY 23-24 compared to FY 22-23

The steps taken to reduce energy and water footprint at our various manufacturing facilities are summarized here:

1. PatancheruConservation of Energy

Patancheru Plant has executed various electrical and thermal energy efficiency improvement projects. Solar Rooftop PV capacity increased to 296 KWp, resulting in an annual electricity saving of 366,816 KWh and a diesel saving of 10,350 Ltr. This led to a 31% reduction in Diesel Consumption intensity (1 Ltr/MT) in FY 23-24 compared to FY 22-23.

Energy efficiency improvement projects and using EV vehicles instead of diesel-operated vehicles resulted in reduced utility costs.

- Installation of Solar PV Rooftop (296 KWp)
- Installation of Energy Efficient Lighting System and photo sensor
- Installation of Energy Efficient Air-Conditioning System
- Use of battery-operated Electric Forklifts and Bus
- Conversion of HSD fuel to LPG for Boiler
- Installation of Energy Efficient DG Set (600 KVA)

Conservation of Water

The state-of-the-art Effluent Treatment Plant (ETP) and tertiary treatment unit reduced freshwater intake further compared to the previous year. During FY 2023-24, 2,288 KL of ETP RO permeate water was utilized for Demineralization (DM) plant feed and cooling tower makeup water, marking a 36% increase compared to the previous financial year. Water consumption intensity was reduced by 0.14 KL/MT in our chemical manufacturing process.

Steps Taken to Use Alternative Sources of Energy

- Renewable source of Energy: 347,700 KWh used from Rooftop Solar PV (296 KWp) in FY 23-24.
- LPG was used in place of HSD in two Boilers.

2. AnkleshwarConservation of Energy

- Various initiatives were consistently taken to conserve energy at the Ankleshwar factory, achieving a reduction of 18 kWh of electricity per M³ of resin manufactured in 2023-24 compared to FY 2022-23.

Conservation of Water

- Achieved a reduction of about 1.5 M³ of water per M³ of resin manufactured in 2023-24 compared to FY 2022-23 through various improvements and initiatives.

Natural Gas Consumption

- Saved 2.19 SCM of natural gas in 2023-24 per M³ of resin production compared to FY 2022-23.

Steps Taken to Use Alternative Sources of Energy

- Initiated innovative waste to energy projects

3. Hosur

- Rainwater Recharging: Successfully implemented rainwater recharging within a catchment area of 425 m², resulting in the annual recharge of 325 KL of groundwater. This year, 250 KL of groundwater was recharged.
- Electrical Energy Efficiency: Installed an energy-efficient LED lighting system, improving lighting energy efficiency by 50%. This year, the energy savings amounted to 0.04 kWh.

4. Goa: Standard Systems Division

Conservation of Electrical Energy

- Energy-Efficient Lighting: Installation of energy-efficient LED lighting systems has enhanced lighting efficiency by 50%.
- Energy-Efficient Air-Conditioning: Installed energy-efficient air-conditioning systems.
- Rooftop PV Project: A 90 KWp rooftop photovoltaic project generated 25,919 KWh of electricity from November 2023 to March 2024.

Conservation of Water

- Water Recycling: Service water is recirculated during product testing, preventing wastage.
- Filtered Water and Reject Recycling: After operational tests, filtered and rejected water is recycled back into the water tank and reused for gardening.
- Rainwater Harvesting: Rainwater collected from the roof trench of the factory building is recycled and reused for gardening.
- Total Annual Water Recycled/Reused: 1500 KL

5. Goa Membrane

- Switchover to low carbon fuel i.e. Piped Natural Gas in place of Diesel in one Boiler. It resulted in 30% reduction of carbon footprint and 47% monetary saving.

(B) Technology Absorption

During this period, the company has absorbed and commercialized the following new products/processes:

Ion Exchange Resins: New Products, Processes, and Application Development:

- Speciality Ion Exchange Applications: A broad range of speciality ion exchange processes were developed, including:
 - Chromatographic separation and purification of Neomycin isomers.
 - Recovery of sodium citrate and removal of zinc from the waste process water stream
 - Removal of emulsified oil using oil coalescer resin from petroleum-based wastewater streams.
 - Defluoridation of effluent water contaminated with iron using new cation resin.

- New Anion Resin (Indion GPS100): Developed to remove fluorinated surfactant from process streams.
- Fine Particle Polymeric Adsorbent Resin (Indion PA600SPS): Developed for speciality applications in the pharmaceutical and biotechnology fields.
- Sulfate Form Anion Exchanger Resin: Developed for chromatographic applications.
- Developed and commercialized a high capacity mercury removal system.

Water Treatment and Process Chemicals: Innovative Products and Process Improvements:

- Defoamers: Introduced a new range of cost-effective modified glycol-based defoamers for paper, distillery, and speciality applications.
- REACH Certified Products: Introduced a range of REACH-certified speciality chemical products and GOATS-certified products in European markets.
- Speciality Polymer – Highly Branched Polyamine: Commercialized for flocculation and drainage aid applications in paper and water treatment.
- Phosphonate-Based Products: Developed for water treatment applications, benefiting from RMC savings.
- Dry Strength Resin (DSR): Improved process resulted in higher productivity and enhanced product performance.

Membrane Materials: New Product and Process Improvements:

- New Chemistries for RO Membrane Products: Introduced new chemistries for a range of RO membrane products and optimized product cost by substituting imported raw materials with suitable local raw materials.
- Speciality Membrane Applications: Developed a range of speciality membrane applications in the non-water segment.

Benefits derived as a result of the above include:

Ion Exchange Resins:

- Speciality Ion Exchange Resin Applications:
 - Executed commercial order to recover sodium citrate and remove zinc from industrial process effluent.
 - Executed commercial order for the removal of emulsified oil from petroleum wastewater streams.
 - Received a commercial order for the defluoridation application using the newly developed cation resin.
- New Anion Exchange Resin (Indion GPS100): Identified new business opportunities in India and globally.
- Fine Particle Polymeric Adsorbent Resin: Provided new business opportunities and revenue in pharmaceutical and biotechnology fields.
- New Sulfate Form Ion Exchange Resin: Generated export business opportunities and revenue in chromatographic applications.
- Improved Indion MSR Product: Created new market opportunities for higher capacity resin, adding revenue and business opportunities.

Water Treatment and Process Chemicals:

- Defoamers: Found applications in high-stress water quality conditions in paper and distillery industries, increasing market share and profitability.
- REACH Certified Products: Opened business opportunities in European markets.
- New Products (Highly Branched Polyamine and Phosphonate): Revenue, profitability, and business opportunities were added.

Membrane Materials:

- New Improved Processes/Chemistries: Resulted in RMC savings and enhanced product quality of existing RO products.
- Speciality Membrane Applications: Added revenue, profitability, and business opportunities.

The following indigenous technologies were successfully commercialized at Ankleshwar:

- International Patent Filing: Completed the first phase of filing an International Patent through WIPO for our CST resin.
- Fluoride Removal Technology: Developed and commercialized technology using Indion CST resin to remove fluoride from water.
- Small Particle Adsorbent Resins: Successfully commercialized small particle size adsorbent resins.
- Chromatographic Resin Manufacturing: Developed processes for manufacturing fine-grade cation and anion resins for chromatographic applications.
- Mercury Removal Resin: Enhanced efficiency and performance for chelating applications.

During the period under review, the company has absorbed and commercialized the following new products/ processes:

Process Group: WWTP

- Membrane Brine Concentration: Developed a membrane process operating at low pressure for brine concentration thereby reducing the cost of zero liquid discharge.
- Waste to Energy Processes: Treatment of kitchen/canteen organic solid waste through bio-methanation process with optimized costs.
- Several innovations in advanced biological processes.
- INDION TADOX: Licensed (exclusive) an advanced photochemical oxidation process from TERI, Delhi for treating complex industrial waste.

Benefits derived from the above include:

- Improved process resulting in making ZLD affordable
- Waste to resources
- Optimized cost and performance
- Customized complex waste treatment with optimised life cycle cost

Application Development Laboratory

- Ion Exchange Resins:
 - o New Products, Processes, and Application Development
 - o Developed a process for the removal of vanadium and molybdenum from waste liquor effluent with 100% recovery.

Benefits derived from the above include:

- New business opportunities in vanadium/molybdenum recovery from waste effluent
- High economic and industrial value product recovery.

R&D Engineering

Technology Absorption:

- Pocket-type Water Purifier: Developed a pocket/pen-type water purifier for travelers and campers. This sipper-type pocket purifier will purify water from open sources such as wells, ponds, and rivers to provide instant purified drinking water.
- Labwater Maker of High Capacity (50 LPH): Developed a high-purity lab water maker system incorporating an Electro Deionization (EDI) module. The EDI-based system provides continuous high-purity water production without the need for discrete mixed bed (MB) resin cartridges.

Benefits derived from the above include:

- Pocket Purifier Advantage: The pocket purifier offers users the convenience of accessing purified drinking water from any reasonable water source without the need to carry or purchase bottled water. This is particularly beneficial for school children, campers and travellers.
- High-Capacity Lab Water System: This system provides uninterrupted high-purity water production, with the Electro Deionization (EDI) unit serving as the final polishing device. Unlike conventional systems, there is no need to provision or replace mixed bed (MB) cartridges throughout the product's lifecycle, making it highly preferred by end users.

Process: Membrane ApplicationsNew Product and Process Improvements:

- Product Purification Application: Developed a product purification process using solvent-stable membranes for separating chemical intermediates for a pharmaceutical process.
- Skim Milk Concentration Application: Demonstrated performance of novel membrane system in the dairy industry to concentrate milk.
- Thin Cane Juice Concentration: Successfully conducted pilot plant trials in the sugar industry to concentrate thin cane juice using high-temperature membranes.
- Commercialized membrane applications for enzyme clarification/concentration

Benefits derived from the above include:

- Cost effective, chemical free and low energy-intensive processes for purification, concentration and separation of products.

(iii) the expenditure incurred on Research and Development

Sr. No.		Location	
		Patancheru (INR in Lacs)	Vashi, New Mumbai (INR in Lacs)
a.	Capital Expenditure	92.66	15.35
b.	Revenue Expenditure	555.09	469.13
c.	Total	647.75	484.48
d.	Total R & D Expenditure as percentage of Turnover 0.52%		

(C) Foreign exchange earnings and Outgo

During the year under review foreign exchange earnings were INR 35,870.41 Lacs and foreign exchange outgo was INR 18,613.84 Lacs

On behalf of the Board of Directors

Rajesh Sharma
Chairman & Managing Director

Place: Mumbai
Date : 29th May, 2024

Business Responsibility and Sustainability Report

Foreword

Ion Exchange's ESG strategy is based on the purpose of our business i.e. to conserve the planet's most precious resources through total water and environment management solutions. To this end, we provide state-of-the-art sustainable technologies and solutions for managing liquid, solid and gaseous waste generated by industries, institutions, homes and communities – both urban and rural. Thus, eliminating contributors which lead to adverse climate changes and help to create a positive impact on people's lives and the environment in a sustainable manner. For over 60 years, we have delivered products and technologies that have made us the single largest provider of sustainable solutions in the water and environment sector, thereby contributing to achieving multiple Sustainable Development Goals.

We are pleased to provide 'Business Responsibility and Sustainability Reporting' ("BRSR") containing detailed Environmental, Social and Governance ("ESG") disclosures. We take cognisance of the urgency of the decarbonisation journey to meet the evolving stakeholder expectations. Our sustainability goals unite us and drive us to deliver the best for our employees, customers, stakeholders and the planet as a whole. We are continuously reducing our carbon intensity, energy intensity and water intensity year on year basis.

We remain focused in our commitment to achieving environmental stewardship, promoting social well-being and driving economic prosperity. Through collaboration, innovation and continuous improvement, we are confident in our ability to contribute to a sustainable future for our company, stakeholders and the planet. We consider it our responsibility to take the lead in sustainable development and deliver value to all our stakeholders with highest standards of governance. We believe that sustainability is a continuous journey and we all are responsible for ensuring that our growth is sustainable and inclusive.

Rajesh Sharma
Chairman and Managing Director

Section A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L74999MH1964PLC014258
2	Name of the Listed Entity	Ion Exchange (India) Limited
3	Year of incorporation	1964
4	Registered office address	Ion House, Dr. E. Moses Road, Mahalaxmi, Mumbai-400011.
5	Corporate address	Ion House, Dr. E. Moses Road, Mahalaxmi, Mumbai-400011.
6	E-mail	investorhelp@ionexchange.co.in
7	Telephone	022 62312042
8	Website	www.ionexchange.global.com
9	Financial year for which reporting is being done	FY 2023-2024
10	Name of the Stock Exchange(s) where shares are listed	(i) National Stock Exchange of India Limited (ii) BSE Limited
11	Paid-up Capital	₹ 14,66,66,590
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Ajay Popat President +91-22-62312031 ajay.popat@ionexchange.co.in
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this reports are made on standalone basis for the entity, Ion Exchange India Ltd, as also referred under Sr. no 23.
14	Name of assurance provider	TUV-SUD South Asia Pvt. Ltd
15	Type of assurance obtained	Limited

II. Products/ Services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% Of the Turnover of the entity
1	Engineering Segment	Provides comprehensive and integrated services and solutions in water, wastewater treatment & solid waste management to industries & communities. This includes advanced Membranes & their applications in Sea Water desalination, Recycle, Zero Liquid Discharge, purification & concentration of process stream and integrated waste to energy systems with comprehensive operation and maintenance services.	62%
2	Chemical Segment	Provides widest range of ion exchange resins, adsorbents, speciality process chemicals and customized chemical treatment programmes for various utility applications.	26%
3	Consumer Product Segment	Caters to individual homes, realty, institutions like hotels, educational institutes, hospitals, railway and defence establishments, laboratories etc. To provide pure & safe drinking water and sustainable waste management.	12%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% Of the total Turnover contributed
1	Chemical - Resins & Chemicals	20119, 20131	26%
2	Engineering - Water Treatment & Waste Water Treatment	36000, 37003	62%
3	Consumer Product	36000	12%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	7	11	18
International	0	2	2

19. Markets served by the entity:

a) Number of Locations

Locations	Number
National (Number of States)	28 states and 7 union territories
International (Number of Countries)	67 countries

b) What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of export to the turnover is 16%

c) A brief on types of customers

Ion Exchange serves industries, homes, urban and rural communities in India and other countries where it has physical presence and/or network with its products, solutions and services.

IV. Employees

20. Details as at the end of Financial year:

a) Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	%(C/A)
Employees						
1	Permanent (D)	2389	2214	92.67%	175	7.33%
2	Other than Permanent (E)	151	140	92.71%	11	7.29%
3	Total employees (D+E)	2540	2354	92.68%	186	7.32%
Workers						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total workers (F+G)	-	-	-	-	-

b) Differently abled employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	%(C/A)
Differently abled Employees						
1	Permanent (D)	1	1	100%	0	0%
2	Other than Permanent (E)	1	0	0%	1	100%
3	Total differently abled employees (D+E)	2	1	50%	1	50%
Differently abled Workers						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total differently abled workers (F+G)	-	-	-	-	-

21. Participation/Inclusion/Representation of women

	Total (A)	Number & % of Females	
		No. (B)	% (B/A)
Board of Directors *	12	1	8.33%
Key Management Personnel *	3	0	0.00%

*Includes Chairman & Managing Director

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.31%	1.59%	14.90%	11.34%	1.54%	12.88%	8.33%	1.03%	9.36%
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23. Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1	Ion Exchange Enviro Farms Ltd.	Subsidiary	79.60	NO
2	Watercare Investments (India) Ltd.	Subsidiary	99.43	NO
3	Aqua Investments (India) Ltd	Subsidiary	99.42	NO
4	Ion Exchange Asia Pacific Pte. Ltd.	Subsidiary	100.00	NO
5	Ion Exchange Asia Pacific (Thailand) Ltd.	Subsidiary	100.00	NO

6	PT Ion Exchange Asia Pacific	Subsidiary	95.00	NO
7	Ion Exchange Environment Management (BD) Ltd.	Subsidiary	100.00	NO
8	Ion Exchange WTS (Bangladesh) Ltd.	Subsidiary	100.00	NO
9	Ion Exchange LLC	Subsidiary	100.00	NO
10	Ion Exchange And Company LLC	Subsidiary	51.00	NO
11	Ion Exchange Projects And Engineering Ltd.	Subsidiary	99.58	NO
12	Total Water Management Services (India) Ltd.	Subsidiary	70.19	NO
13	Ion Exchange Safic Pty. Ltd.	Subsidiary	60.00	NO
14	Ion Exchange Purified Drinking Water Pvt. Ltd.	Subsidiary	100.00	NO
15	Ion Exchange Arabia For Water	Subsidiary	60.00	NO
16	Ion Exchange Europe LDA	Subsidiary	99.98	NO
17	MAPRIL - Produtos Químicos e Maquinas Para a Industria, Lda	Subsidiary	100.00	NO
18	Aquanomics Systems Ltd	Associate	48.42	NO
19	Ion Exchange Financial Products Pvt. Ltd.	Associate	24.02	NO
20	Ion Exchange PSS Co. Ltd	Associate	49.00	NO

Previous year's figures have been restated to take into consideration amalgamation of Global Composites and Structurals Limited and Ion Exchange Environment Management Limited with Ion Exchange (India) Limited.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**
(ii) Turnover (in Rs.) : **2180.04 Crore**
(iii) Net worth (in Rs.): **1074.35 Crore**

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	Current Financial Year 2023-24			Previous Financial Year 2022-23		
		No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks	No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-

Shareholders	The Company has empowered a Board level Stakeholders Relationship Committee ("SRC") to examine and redress complaints by shareholders. The status of complaints is reported to the entire Board on quarterly basis. SRC meets at least once a year and as and when required to resolve Shareholders grievances	11	1	All complaints reported and resolved except one	3	0	All complaints reported are resolved
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	0	0	-	0	0	No Complaints/ Grievances under any of the principles (Principles 1 to 9).
Value Chain Partners	Yes	0	0	-	0	0	-
Other (please specify)	Yes	0	0	-	0	0	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Water & Waste Management	Opportunity	Increasing demand and scarcity of water. Need to sustainably manage waste.		Positive
2	Circular Economy	Opportunity	Resource recovery whilst managing waste treatment efficiently thereby reducing resource consumption at source.		Positive

3	Safe Chemistry	Opportunity	Demand to increase sustainability quotient amongst discerning end users. Green and safe chemical production will preserve competitive edge.		Positive
4	Energy Management	Risk	Growing concern on climate change, Energy intensity and carbon footprint reductions.	1. Energy efficiency improvement at all processes. 2. Endeavour to substitute fossil fuels uses with sustainable alternatives. 3. Adoption of renewable energy.	Negative
5	Community Engagement	Opportunity	Improve the Quality of life of the local communities through various engagements in education, health, sanitation, safe drinking water & Rural development		Positive
6	Employment – Diversity, inclusion and equal opportunity	Opportunity	Increase the preference the prospective employees to work for the company. For the existing employees it provides assurance for growth strictly on merit.		Positive
7	Board Oversight & Governance	Opportunity	Ensures company's mission and business objectives are managed responsibly.		Positive

Section B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available:	https://ionexchangeglobal.com/investor-relation/policies/								
2.	Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Yes, the manufacturing units are certified for multiple standards, including ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO 45001 (Occupational Health & Safety Management System), ISO 13485 (Quality Management System for Medical Devices), WHO GMP, GMP, GLP, REACH, GOTS, Kosher, Halal, NSF, ZDHC, and NABL. (Refer to the Quality Initiative section in the Director's Report for details.)
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The company is committed to providing customers with energy-efficient products and aims to achieve net-zero emissions and water positive.
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The performance of each principle is periodically reviewed by various committees led by the management and the Board of Directors.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Company always believed in driving business with purpose. Through reporting, we would like to communicate to our stakeholders, our progress on Environmental, Social and Corporate Governance performance. Sustainability enables businesses to thrive in dynamically changing environments. Innovation and adaptation will be key to overcoming challenges and building resilience, especially in the ever-changing environments around us. We have been working in the past year to strengthen our commitments towards Sustainability, this includes integrating ESG risks to our Enterprise Risk Management framework; building aspirational goals of carbon neutral and water positive for our operations; investing in products and processes that are energy efficient; promoting products and services that help in lowering environmental impact; partnering with waste recyclers; and supporting communities. We believe Sustainability is a journey, and while we believe there is more work to be done, we are also poised to take up challenges and improvements through transforming our ways of doing business	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Ajay Popat, President
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The company has established a dedicated core group to address sustainability-related issues, including BRSR Reporting, under the leadership of Mr. Ajay Popat, President

10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly / Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
NO	NO	NO	NO	NO	YES *	NO	NO	NO

* TUV-SUD South Asia Pvt. Ltd.

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not Applicable								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not Applicable								
It is planned to be done in the next financial year (Yes/No)	Not Applicable								
Any other reason (please specify)	Not Applicable								

Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicator

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ Principles covered under the training and its impact	% Of persons in respective category covered by the awareness programmes
Board of Directors	8	Updates and awareness related to regulatory changes are conducted for the Board of Directors & KMPs. Topics covered includes: 1) Corporate Governance 2) Companies Act 3) SEBI Listing Requirements 4) Environmental & Safety matters 5) BRSR	100%
Key Management Personnel	8		100%
Employees other than BoD and KMPs	33	All (Ethical Compliance Standards including Company's Code of Conduct) ESG, ESH, Social Impact	97% of all the intended target
Workers		Not Applicable	

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/ No)
Penalty/ Fine	-		0	Not Applicable	-
Settlement	-		0	Not Applicable	-
Compounding fee	-		0	Not Applicable	-

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/ No)
Imprisonment	-		Not Applicable	-
Punishment	-		Not Applicable	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	Not Applicable
Nil	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, we have anti-corruption / anti-bribery policy for our employees. The web link of policy is mentioned below.

<https://ionexchange.global.com/app/uploads/2023/05/Anti-Corruption-and-Anti-Bribery-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Segment	Current Financial Year 2023-24	Previous Financial Year 2022 - 23
Board of Directors	Nil	Nil
Key Management Personnel	Nil	Nil
Employees other than BoD and KMPs	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest.

Segment	Current Financial Year 2023-24		Previous Financial Year 2022 - 23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil		Nil	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest

Nil

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Segment	Current Financial Year 2023-24		Previous Financial Year 2022 - 23	
	Number	Remarks	Number	Remarks
Number of days of accounts payables	128		126	

9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	5.21%	3.45%
	b. Number of trading houses where purchases are made from	635	501
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	38.52%	45.75%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	12.64%	11.65%
	b. Number of dealers / distributors to whom sales are made	1320	1213
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	24.38%	20.94%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	2.97%	3.61%
	b. Sales (Sales to related parties / Total Sales)	8.44%	9.68%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	94.57%	84.71%
	d. Investments (Investments in related parties / Total Investments made)	98.28%	98.56%

Leadership Indicator

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of training and awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
01	Responsible Supply Chain	1.09%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.

Yes, the company has implemented a dedicated Code of Conduct to address conflicts of interest involving board members. This Code of Conduct is accessible on the company's website.

<https://ionexchange.global.com/pdf/ionindia/Code%20of%20Conduct.pdf>

PRINCIPLE 2:

Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicator

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23	Details of improvements in environmental and social impacts
R&D	99.7%	88%	Minimize emissions of short and long-lived climate pollutant, Zero Liquid Discharge, Energy Efficiency Improvement, Reduction in Hazardous Chemical Effluents, Increase in yield in Products.
Capex	73.7%	67%	Quality improvement, Renewable- Solar energy, Water efficiency enhancement and conservation, Energy conservation and efficiency enhancement, Resource conservation, Reduction in Noise and air emission.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. Company has a 'Supplier Code of Conduct' and has established process for vendor selection. This includes various guidelines such as Legal Compliance, Safety, Health and Environment Policy, adherence to ISO Certification, responsible resource utilization, etc.

b. If yes, what percentage of inputs were sourced sustainably?

83%

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Ion Exchange India Ltd. is deeply committed to upholding responsible waste management practices across various streams, exemplifying unwavering dedication to environmental stewardship in our operations and beyond.

- Plastics (including packaging): We systematically segregate different categories of plastics, facilitating efficient recycling through our Extended Producer Responsibility (EPR) Initiative.
- E-Waste Management: We have established accessible collection points, and this e-waste is sent to authorized dismantlers and recyclers approved by the Pollution Control Board.
- Hazardous Waste Handling Process: We rigorously classify hazardous materials used in our products, implement clear labelling and handling procedures, and ensure proper disposal with authorized waste disposal facilities to maintain regulatory compliance.
- Other Waste: We safely dispose other waste and actively exploring innovative technologies to convert certain types of waste into energy, thereby reducing reliance on landfill disposal and contributing to renewable energy production.

4. a) Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities:

Yes, The Company is subject to Extended Producer Responsibility (EPR), and the registration process has been completed successfully on the CPCB Portal.

b) If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, The waste collection plan aligns with the Extended Producer Responsibility (EPR) plan submitted to the Pollution Control Board. We have collected plastics in four categories (Rigid, Flexible, Multilayered plastics, and Compostable) from all our units, and the data has been uploaded to the Pollution Control Board portal.

Leadership Indicator

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency	Results communicated in public domain. If yes, provide the web-link.
	NO				

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

No

Name of the Product/ Service	Description of the risk/ concern	Action taken
Nil	Nil	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or Reused input material to total material	
	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Nil		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

	Current Financial Year 2023 - 24			Previous Financial Year 2022 - 23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (Including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	Not Applicable

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicator

1. (a) Details of measures for the well-being of employees:

% Of employees covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	2,214	2,214	100%	2,214	100%	0	0	2,214	100%	-	-
Female	175	175	100%	175	100%	175	100%	0	0	-	-
Total	2389	2389	100%	2389	100%	175	7%	2,214	93%	-	-

% of employees covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Other than Permanent Employees											
Male	140	-	0%	140	100%	-	0%	-	0%	-	0%
Female	11	-	0%	11	100%	-	0%	-	0%	-	0%
Total	151	-	0%	151	100%	-	0%	-	0%	-	0%

(b) Details of measures for the well-being of workers:

% of workers covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

Other than Permanent Workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

(c) Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	Current Financial Year 2023 – 24	Previous Financial Year 2022 - 23
Cost incurred on well-being measures as a % of total revenue of the company	0.44%	0.41%

2. Details of retirement benefits for current and previous financial year.

Benefits	Current Financial Year 2023 - 24			Previous Financial Year 2022 - 23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Yes/ No/ N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Yes/ No/ N.A.)
PF	100%	-	Yes	100%	-	Yes
Gratuity	100%	-	Yes	100%	-	Yes
ESI	100%	-	Yes	100%	-	Yes
Superannuation	4.27%	-	Yes	5%	-	Yes
HDFC NPS	7.03%	-	Yes	6%	-	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, The company currently provides specially designed workspaces to accommodate employees with disabilities at its offices in Chennai, Bangalore, Kolkata, and Vadodara. Efforts are underway to ensure compliance with the Rights of Persons with Disabilities Act, 2016, at our other working locations.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, The Company has Equal Employment Opportunity Policy.

<https://ionexchange.global.com/app/uploads/2023/05/Equal-Employment-Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	-	-
Female	100%	100%	-	-
Total	100%	100%	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Gender	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	Yes. Grievances redressal policy available
Other than Permanent Employees	Yes. Grievances redressal policy available
Permanent Workers	NA
Other than Permanent Workers	NA

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	Current Financial Year 2023 - 24			Previous Financial Year 2022 - 23		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or union (D)	% (D/C)
Total Permanent Employees	Nil	Nil	Nil	Nil	Nil	Nil
- Male	Nil	Nil	Nil	Nil	Nil	Nil
- Female	Nil	Nil	Nil	Nil	Nil	Nil
Total Permanent Workers	Nil	Nil	Nil	Nil	Nil	Nil
- Male	Nil	Nil	Nil	Nil	Nil	Nil
- Female	Nil	Nil	Nil	Nil	Nil	Nil

8. Details of training given to employees and workers:

Category	Current Financial Year 2023 - 24					Previous Financial Year 2022 - 23				
	Total (A)	On Health and Safety measures		On Skill Upgradation		Total (D)	On Health and Safety measures		On Skill Upgradation	
		No. (B)	& (B/A)	No. (C)	% (C/A)		No. (E)	& (E/D)	No. (F)	% (F/D)
Employees										
Male	2214	1875	84.7%	1138	51%	1875	1821	97%	696	37%
Female	175	152	87.8%	153	87%	144	136	94%	104	72%
Total	2389	2027	84.8%	1291	54%	2019	1957	97%	800	40%
Workers										
Male	Not Applicable									
Female	Not Applicable									
Total	Not Applicable									

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees and workers covered (B)	% (B/A)	Total (C)	No. of employees and workers covered (D)	%(D/C)
Employees						
Male	2214	2214	100%	1875	1875	100%
Female	175	175	100%	144	144	100%
Total	2389	2389	100%	2019	2019	100%
Workers						
Male	Not Applicable					
Female	Not Applicable					
Total	Not Applicable					

10. Health and safety management system:
a). Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. Ion Exchange India Ltd. has implemented comprehensive Occupational Health and Safety (OHS) systems covering all employees, workers, and operational locations. We have dedicated HSE departments at corporate and site levels, overseen by board-level oversight. Our chemical, resin, and membrane businesses are ISO 14001 (EMS) certified, with ISO 45001 (OHSMS) critical accreditation granted to our ICD Chemical division.

Ion Exchange has established twelve "SHE standards," providing a systematic approach to achieving our "zero harm" goals. We conduct regular safety perception studies to evaluate safety culture, employee involvement, and perceptions of existing safety management. Our 'Behaviour Based Safety (BBS) initiative, inaugurated by our Chairman and Managing Director, promotes a proactive approach and encourages interventions that engage, motivate, and reinforce safe behaviors.

We have implemented the HSE Kaizen system to allow employees to report HSE-related improvements, with all sites assessed periodically. Additionally, Ion Exchange offers rewards and recognition schemes to motivate employees at all levels to embrace HSE practices. We have also established a Rewards and Recognition system to inspire various teams across locations to embrace HSE systems and practices.

b). What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Periodic Risk Assessment studies like HAZOP, Job safety analysis (JSA), HIRA, Cross functional safety audit, External safety audit is done and documented at locations.

c). Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N).

Yes. All employees have the opportunity to report work-related hazards to their department heads. These reported hazards undergo thorough review, analysis, and corrective actions are promptly taken. Safety officers compile monthly data and include these hazards as safety observations in the monthly Management Information System (MIS) report. Additionally, these hazards are discussed during safety committee meetings, and teams are provided with targets for the closure of these hazards.

d). Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No):

Yes. all employees are covered by a comprehensive medical insurance policy. They benefit from a group Mediclaim policy and receive ESIC benefits. Additionally, health camps and health screening benefits tailored to different age groups are available.

11. Details of safety related incidents, in the following format:

Safety incident/ Number	Category	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	-	-
Total recordable work-related injuries	Employees	0	0
	Workers	-	-
Number of fatalities	Employees	0	0
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

At Ion Exchange, we prioritize a safe workplace through various elements of our Safety Management System, including Safe Operation Procedures, Work Permit Systems, Personnel Safety using PPEs, Training, Risk Analysis and Management, Safety Audits, Employee Participation in building Safety Culture, Incident Investigation and Analysis, Emergency Planning and Response, Contractor and Business Associate Safety.

To ensure a healthy workplace, we implement the following measures:

- Selection of appropriate equipment/technology and processes during the planning stage
- Regular awareness and training programs
- Implementation of engineering controls
- Disposal of hazardous material waste in compliance with statutory regulations
- Use of appropriate, adequate, and reliable Personal Protective Equipment (PPE)
- Regular monitoring of toxic gases and other hazards such as noise, temperature, vibration, and illumination to maintain safe levels
- Display of hazard signage at identified areas
- Conducting pre-employment, pre-placement, and periodic medical check-ups for workers exposed to hazards, including assessments such as Biochemistry, ECG, Audiometry, Chest X-ray, etc.
- Development and utilization of a facility for work at height capability testing for personnel working at height within our sites
- Monitoring of air and water quality as per PCB norms
- Management of hazardous waste in accordance with PCB norms
- Organizing health campaigns

13. Number of Complaints on the following made by employees and workers:

	Current Financial Year 2023 - 24			Previous Financial Year 2022 - 23		
	Filled during the year	Pending resolution at the end of year	Remarks	Filled during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0		0	0	
Health & Safety	0	0		0	0	

14. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% at all Units
Working conditions	100% at all Units

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Ion Exchange India Ltd. diligently reviews and investigates all incidents, fostering an EHS risk management culture across the company. Various proactive measures have been implemented, including:

- Introduction of HSE Star Rating system.
- Development of comprehensive HSE Training Modules for all activities.
- Implementation of corporate HSE audits based on standardized checklists.
- Deployment of control measures aimed at reducing workplace accidents.
- Regular review of Policies and Procedures.
- Conducting routine inspections and holding regular trainings.
- Documentation of job roles and responsibilities, including safety obligations, for all employees.
- Provision of suitable Personal Protective Equipment (PPE).
- Implementation of behavioral-based safety observation rounds.
- Establishment of a comprehensive Emergency Preparedness and Response process.
- Engagement and communication with stakeholders through formal and informal channels.
- Rigorous Risk Management practices aimed at preventing incidents, injuries, occupational diseases, emergency control and prevention, and ensuring business continuity.

Leadership Indicator

1. Does the entity extend any life insurance or any compensatory package in the event of death of Employees & Workers: (Y/N)

(a)	Employees	Yes
(b)	Workers	-

Yes, our Employee Deposit Linked Insurance (EDLI) and gratuity policies offer death coverage. Benefits, including provident funds and pensions, are settled according to priority. Additionally, medical insurance plans and education sponsorship are provided to the families of employees who have passed away due to COVID or other unfortunate circumstances.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company rigorously ensures that all value chain partners adhere to the 'Supplier Code of Conduct' consistently. We prioritize the welfare of our stakeholders and ensure that our partners fulfill statutory requirements in alignment with the code.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total number of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Employees	0	0	0	2
Workers	-	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the company offers a transition assistance program for employees reaching retirement age as per company policy, which includes counselling services. Additionally, the company may provide extensions on a case-by-case basis at its discretion and with the consent of employees, based on the company's requirements. The company maintains a zero-tolerance stance on specific issues outlined in its policy documents. In cases of underperformance, employees are counselled, supported, and given opportunities to improve before any decision regarding disengagement from the company is made.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	We are in the process of developing a framework to assess our value chain partners' health and safety practices.
Working conditions	We are in the process of developing a framework to assess our value chain partners' Working conditions.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The 'Supplier Code of Conduct,' established by Ion Exchange, sets forth standards for working conditions and health and safety protocols across the value chain. To identify areas of risk or non-compliance, we conduct audits of our value chain partners. Additionally, we provide support to our partners at our facilities to improve their working conditions and health and safety procedures.

To ensure ongoing adherence to health and safety standards, we regularly monitor and evaluate the performance of our value chain partners. All partners working across our locations have access to the same health and safety resources as our employees, and any significant risks to their health and safety are promptly addressed within specified timelines.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicator**1. Describe the processes for identifying key stakeholder groups of the entity.**

Stakeholders, including customers, suppliers, employees, shareholders, and communities, are integral to Ion Exchange operations, both internally and externally. The company has meticulously identified these stakeholders and is committed to collaborating with them to address their concerns and implement appropriate solutions while achieving its objectives. This commitment underscores Ion Exchange's focus on improving the working environment and prioritizing compliance, productivity, and growth strategies.

In the communities where Ion Exchange operates, the company actively supports and engages with underserved and neglected populations. Special attention is given to children and young people with disabilities through educational and skill-building programs. Furthermore, the company endeavours to uplift the social status of women by providing access to healthcare, education, skill-building initiatives, and awareness workshops in rural areas.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	IEI News, Emailers, Advertisements, Websites, Social media platforms, personal meetings, seminars, conferences, customer meets, webinar, exhibitions. Promotions/ promotional material (below the line activities)	Continuous/Real time basis. Customers are contacted daily, weekly, monthly based on the requirements	Customer relationship management, product promotion, new product/ technology development information sharing, training and event based engagements. Creating awareness about our products, solutions, services and any new developments within the organisation including media engagement etc.
Supplier	No	Regular supplier meetings involving their organizations for large, critical packager for all projects.	Regularly during execution tenure of project, raw material procurement cycles etc	Need and expectation, schedule, supply chain issue, meeting their regulatory contractual compliance etc.

Employees	No	- Online news bulletins, in house magazines - Circular and corporate communications • Employee satisfaction surveys, engagement surveys - Corporate social initiatives Welfare initiatives for employee and their families	Regularly	Employees' engagement benefits career growth
Shareholders/ Investors	No	Multiple channels – physical and digital including quarterly investor presentations, press releases and communications through stock exchanges, participation in investor conferences, etc.	Regularly	To keep shareholders updated on comprises performance, plans against current and future scenarios
Communities around our operating sites	Yes	CSR interventions by Ion Foundation either directly or through NGOs by doing site visits, direct engagement with academic institutions, community representatives/ participate on in events arranged by local NGOs, Social Media.	On-going /As and when required	To support the CSR projects: 1.Improvement in quality of education for disadvantaged children, enhance skill development. 2.Primary healthcare for rural communities. 3.Community hygiene & sanitation. 4. Environment issues that affect Disadvantaged communities. 5.Projects making Women financially independent..

Leadership Indicator

- Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The internal review process is robust, conducted monthly. Heads of Departments (HODs) receive advance notification of the agenda, time, and date for the review meeting, ensuring they come prepared with all necessary supporting documents. Additionally, the apex body presents data to the board every three months.

- Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:**

Yes. Ion Exchange, along with one of its stakeholders (a customer), submitted an unsolicited bid to the Gujarat government for a project aimed at treating sewage from nearby villages and reusing the treated water at their facility to address significant water needs. The remaining treated water would be supplied to nearby industries to fulfill their water requirements. Following review by the Gujarat government, the contract was awarded to our customer through a Swiss challenge process. The project was executed under a public-private partnership (PPP) model, with stakeholders providing funding. Ion Exchange India Ltd. (IEIL) was appointed as the EPC contractor responsible for designing, manufacturing, and delivering the project's systems.

- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The company is committed to societal improvement and has undertaken numerous initiatives to identify and address the concerns of marginalized stakeholders. Through our Corporate Social Responsibility (CSR) programs, we offer need-based scholarships to meritorious disadvantaged students from high school to master's level. We provide after-school support and prioritize outreach to first-generation students.

Our efforts extend to enhancing the quality of education through initiatives such as Science on Wheels, provision of education kits, and advancement of STEM education. Additionally, we contribute to healthcare by supporting the Indian Red Cross Society in providing sanitation facilities and safe drinking water.

PRINCIPLE 5

Businesses should respect and promote human rights.

Essential Indicator

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	Current Financial Year 2023 - 24			Previous Financial Year 2022 - 23		
	Total (A)	No. of employees/ workers (B)	% (B/A)	Total (C)	No. of employees/ workers (D)	% (D/C)
Employees						
Permanent	2389	2389	100%	2019	2019	100%
Other than Permanent	151	151	100%	141	141	100%
Total Employees	2540	2540	100%	2160	2160	100%
Workers						
Permanent	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-
Total Employees	-	-	-	-	-	-

2. Details of minimum wages paid to employees and workers, in the following format:

Category	Current Financial Year 2023 - 24					Previous Financial Year 2022 - 23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	& (B/A)	No. (C)	% (C/A)		No. (E)	& (E/D)	No. (F)	% (F/D)
Employees										
Total Permanent	2389	-		2389	100%	2019	-		2019	100%
Male	2214	-		2214	100%	1875	-		1875	100%
Female	175	-		175	100%	144	-		144	100%
Total other than Permanent	151	-		151	100%	141	-		141	100%
Male	140	-		140	100%	130	-		130	100%
Female	11	-		11	100%	11	-		11	100%
Workers										
Permanent	Not Applicable									
Male	Not Applicable									
Female	Not Applicable									
Other than Permanent	Not Applicable									
Male	Not Applicable									
Female	Not Applicable									

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors	3	INR 3,84,12,550	-	-
Key Management Personnel	2	INR 66,00,256	-	-
Employees other than BoD and KMPs	2354	INR 7,18,000	186	7,18,000
Workers	-	-	-	-

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Gross wages paid to females as % of total wages	5.65	5.79

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?(Yes/No)

Yes. The Human Resource department serves as the primary focal point for addressing human rights issues within the company.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Human rights grievances are first addressed by the local HR representative, who, in conjunction with the local unit head, thoroughly investigates the specific issues before reporting to corporate HR for resolution. Actions are then taken in accordance with the company's human rights policy, workplace norms, and applicable laws to ensure timely and effective resolution of the grievance

6. Number of Complaints on the following made by employees and workers:

	Current Financial Year 2023 - 24			Previous Financial Year 2022 - 23		
	Filled during the year	Pending resolution at the end of year	Remarks	Filled during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0%	0%
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company provides adequate protection to the complainants against any form of intimidation or harassment during the period of investigation and thereafter. The Company believes in the principle of natural justice and ensures full confidentiality of complainant is maintained during and after resolution of complaint. The complainant is protected against any adverse action not limited to harassment, unfair termination of employment, demotion, suspension and biased behaviour.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

All commercial agreements and contracts signed by the company with any partner include pertinent clauses affirming compliance with applicable regulatory obligations, including those related to human rights

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Other - Please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above:

No risk/ concern has arisen and there is no necessity for corrective action.

Leadership Indicator

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

No Grievance/ complaints received and there was no necessity for modification of business process.

2. Details of the scope and coverage of any Human rights due-diligence conducted:

The Company is steadfast in its commitment to safeguarding and upholding Human Rights, addressing any identified violations with due diligence. We strive to offer equal employment opportunities, foster fairness, cultivate a harassment-free, safe environment, and uphold fundamental human rights. As an equal opportunity employer, we unequivocally prohibit discrimination in any form. For detailed information, please refer to the Company's Human Rights Policy available on our website.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, Ion Exchange premises comply with legal requirements to ensure accessibility for differently abled visitors through ramps and lifts. Furthermore, the company is actively implementing measures to establish systems and processes that provide future employees with disabilities access to necessary infrastructural facilities and amenities. This ensures their ability to safely and effectively perform their duties within the establishment.

4. Details on assessment of value chain partners:

	% Of value chain partners that were assessed (by value of business done with such partners)
Sexual Harassment	NIL
Discrimination at workplace	NIL
Child Labour	NIL
Forced Labour/ Involuntary Labour	NIL
Wages	NIL
Other human rights related issues	NIL

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above:

No necessity for corrective action and there are no risk/ concerns reported

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicator

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Unit	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Renewable sources			
Total electricity consumption (A)	GJ	1667.60	857.89
Total fuel consumption (B)	GJ	0	0
Energy consumption through other sources (C)	GJ	0	0
Total energy consumed from renewable sources (A+B+C)	GJ	1667.60	857.89
Non-renewable sources			
Total electricity consumption (D)	GJ	47838.89	45573.76
Total fuel consumption (E)	GJ	55246.66	53585.86
Energy consumption through other sources (F)	GJ	0	0
Total energy consumed from non-renewable sources (D+E+F)	GJ	103085.56	99159.62
Total energy consumed (A+B+C +D+E+F)	GJ	104753.16	100017.51
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	GJ/ million ₹	4.805	5.285
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)		Not Applicable*	Not Applicable*
Energy intensity in terms of physical output			
Energy intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. Yes.

***All operations are based in India**

TUV-SUD South Asia Pvt. Ltd

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. No
3. Provide details of the following disclosures related to water, in the following format:

Parameter	Unit	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Water withdrawal by source (in kilolitres)			
(i) Surface water	KL	0	0
(ii) Groundwater	KL	236	269
(iii) Third party water	KL	302484	325160
(iv) Seawater / desalinated water	KL	0	0
(v) Others	KL	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	KL	302720	325428
Total volume of water consumption (in Kilolitres)	KL	96266	117392
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	KL/ million ₹	4.42	6.20
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	Not Applicable*	Not Applicable*
Water intensity in terms of physical output	-	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes.

*All operations are based in India

TUV-SUD South Asia Pvt. Ltd.

4. Provide the following details related to water discharged:

Parameter	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii)) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to Third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment*	-	-
Note - Water is treated in ETP (primary, secondary and tertiary) before being sent to CETP	206454	208037

(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in Kilolitres)	206454	208037

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. Yes.

TUV-SUD South Asia Pvt. Ltd.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. No

Ion Exchange (India) Ltd operates a resin manufacturing facility in Gujarat, producing cation and anion exchange resins, including gel, macroporous, and isoporous resins for various water and wastewater treatment applications, as well as non-water specialty uses. The unit generates approximately 1000 KLD of effluent, which is segregated based on its characteristics and treated accordingly. The unit is permitted to dispose of 600 KLD of treated effluent after meeting strict norms set by the Ankleshwar GIDC CETP. The Unit is working on the processes to install zero discharge.

To adhere to these regulations, Ion Exchange (India) Ltd has invested in advanced wastewater treatment technologies. Consequently, approximately 400 KLD of effluent is recycled back into the process plant.

In pursuit of optimal water recovery and reuse within the production facility, the IEI chemical manufacturing facility in Patancheru recycles around 24 KLD of effluent using the latest wastewater treatment technologies. Presently, the Effluent Treatment and Recycling Plant is undergoing an upgrade to a Zero Liquid Discharge (ZLD) system with a capacity of 52 KLD

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
NOx	µg/m ³	21.31	27.2
SOx	µg/m ³	19.89	31.9
Particulate matter (PM10)	µg/m ³	86.53	82.6
Persistent organic pollutants (POP)		0	0
Volatile organic compounds (VOC)		0	0
Hazardous air pollutants (HAP)		0	0
Others – please specify		0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. Yes.

TUV-SUD South Asia Pvt. Ltd.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3559	3341
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	9181	9968
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	t CO ₂ e/ ₹	5.84 X 10 ⁻⁷	7.03 X 10 ⁻⁷

Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	Not Applicable*	Not Applicable*
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes.

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TUV-SUD South Asia Pvt. Ltd.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. Yes,

Following projects undertaken for reduction of GHG.

1. Usage of LPG & CNG in Boiler
2. Use of rooftop Solar PV(556 KWp) renewable energy
3. Usage of Electric battery operated Forklift & Stacker
4. Use of Electric Mobility –Bus
5. Use of non-electric wind Turbo-ventilators on roof
6. Energy Efficient 5 Star Air-Conditioning(HVAC) System
7. Energy Efficient LED Lighting System with occupancy sensor
8. Energy Efficient screw Chillers in place of reciprocating Chillers
9. Use of energy efficient Planetary Gearbox in place of Worm gearbox in reactors
10. Installation of VFD's for Pumps & Fans
11. Energy Efficient FRP Blades in Cooling Tower
12. Installation of Filter Press in place of Decanter(centrifuge)
13. Condensate Recovery system and improvement in Steam Traps
14. Adoption of Energy Efficient Motors
15. Usage of transparent sheets in Rooftop for availing day light
16. Replacement of thermal Insulation to reduce heat loss
17. Tree Plantation

Our intent is to become Carbon Net Zero by 2030. To realize this ambition, we have already taken concrete steps, including the implementation of renewable projects at select locations. We are encouraged by the progress of energy transition initiatives, bolstered by supportive government policies, incentives, and advancements in technology. These factors enhance cost efficiencies and support our commitment in achieving our defined objective.

9. Provide details related to waste management by the entity, in the following format:

Parameter	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.036	0.036
E-waste (B)	0.0	1.785
Bio-medical waste (C)	0.0	0.00
Construction and demolition waste (D)	0.0	0.00
Battery waste (E)	0.396	0.52
Radioactive waste (F)	0.0	0.00

Other Hazardous waste. Please specify, if any. (G)	13849	15361
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	151	376
Total (A+B + C + D + E + F + G + H)	14001	15739
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.652	0.832
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	Not Applicable*	Not Applicable*
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste		
(i) Recycled	0	0
(ii) Re-used	8.51	6.072
(iii) Other recovery operations	2.62	0.195
Total	11.13	6.267

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste		
(i) Incineration	0	0
(ii) Landfilling	3.83	46.70
(iii) Other disposal operations	13027	15,733
Total	13031	15,780

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. Yes.

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TUV-SUD South Asia Pvt. Ltd.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Hazardous wastes generated are responsibly sent for scientific disposal to the Common Hazardous Waste Treatment Storage and Disposal Facility (CHWTSDF), duly approved by the State Pollution Control Board (SPCB), of which Ion Exchange India Ltd. is a member. The CHWTSDF employs various disposal methods such as landfill and incineration to ensure safe handling.

Additionally, the company has established partnerships with e-waste recyclers who are registered and approved by the State Pollution Control Board (SPCB). All e-waste generated within the company is directed to these authorized recyclers for further processing and effective management.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	NIL	-	-

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable	-	-	-	-	-

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the company fully complies with all applicable environmental laws, regulations, and guidelines in India, including the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, as well as relevant state and central environmental regulations.

Sl. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	Nil		Nil	
	Nil		Nil	

Leadership Indicator

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area
- Nature of operations
- Water withdrawal, consumption and discharge in the following format:

As per recent assessment report released by Central Ground Water Authority (CGWA) in December, 2022, none of the Company's plants are located in the water stress area. Thus, the disclosure is not applicable.

Parameter	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-

Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. Yes.

TUV-SUD So uth Asia Pvt. Ltd.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)		-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. No.

- 3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. - Not applicable**
- 4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format.**

Recognizing the critical importance of water as a resource, we actively engage in numerous initiatives aimed at optimizing water consumption and minimizing wastewater generation through our reuse or recycle schemes. Additionally, we recover and reintroduce treated wastewater back into our processes. Further details regarding these initiatives can be found under SL. 4 of the Essential Indicator - Principle 6.

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
-	-	-	

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The company has established a standardized 'Emergency Preparedness and Response document' as part of its comprehensive business continuity plan. This document ensures the resilience of our business operations and prioritizes the safety of both employees and company assets. Integrated into our Enterprise Risk Management program, these plans guide our response to operational disruptions, covering various scenarios and providing for risk mitigation and management during uncertainties.

This standardized policy document is applicable to all our manufacturing facilities and provides a structured approach for:

- Identifying potential emergency situations, including technological failures, natural disasters, health crises, and social emergencies.
- Assessing associated risks.
- Implementing prevention and mitigation measures.
- Periodically assessing the effectiveness of ongoing preparedness efforts.

In addition to the aforementioned policy, we have developed policies and systems to address digital security concerns and protect against data loss and storage facility compromises. The company has defined policies and systems for regular data backups and restoration.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard. – NIL

At present, we haven't actively monitored the environmental impacts stemming from our entity's value chain. However, we've initiated the drafting of processes and documents to address this matter, drawing from existing practices.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. – NIL

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicator

1. a. Number of affiliations with trade and industry chambers/ associations:

The company is associated with 15 trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industry	National
2	Bombay Chamber of Commerce and Industry	State
3	Indian Desalination Association	National
4	Indian Chamber of Commerce	National
5	Indian Environmental Association	National
6	Process Plant & Machinery Association of India	National
7	Indian Chemical Council	National
8	Water Quality India Association	National
9	Federation of Indian Export Organisation	National
10	The Fertilizer Association of India	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

Leadership Indicator

1. Details of public policy positions advocated by the entity:

Sl. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1	Thought leadership in environment and sustainability approach.	The Company represents the general interest of the industry in major trade associations and government initiated forms through its designated representative.	The advocacy is made or represented to trade associations and government bodies constituted to seek industry opinion on various subjects. The suggestions are made via emails or direct interactions in forums inviting our participations. Hence, generally these are not available on public domains.	Annually as a part of our strategy and advocacy plan to participate and interact on the subjects, in the agenda of trade bodies/ industry associations, government nominated bodies.	-
2	Manufacturing safe and sustainable products				
3	Evolving new standards for finished products and components used in water purification process.				
4	Promoting make in India concept				
5	Rationalisation of taxes, duties, etc.				

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicator

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

The Company undertakes its CSR initiatives directly and through implementing agency in accordance with the applicable laws.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable			No		

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
	Not Applicable					

3. Describe the mechanisms to receive and redress grievances of the community:

The organization has established systems to listen to and respond to the concerns of diverse stakeholders. We facilitate regular visits by our local workers to engage with the community, identifying and addressing any issues that arise. Thus far, no specific community concerns have been raised through these interactions. Ion Exchange, through its CSR branch, the Ion Foundation, manages community complaints with the support of our CSR implementation partners, namely NGOs

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Directly sourced from MSMEs / small producers	16.34 %	10.53%
Directly from within the India	61.08%	94.72%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	Current Financial Year 2023 - 24	Previous Financial Year 2022 - 23
Rural	2.64	2.45
Semi-urban	18.07	18.26
Urban	7.54	6.87
Metropolitan	71.75	72.42

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicator**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational Districts	Amount Spent (in ₹)
		Nil	

The company has undertaken CSR projects and activities in and around its manufacturing sites in Telangana, Navi Mumbai, Goa, Palghar, and Ankleshwar, Tamil Nadu. The aspirational districts are located far away from our operational units, due to which, till date, the company has not undertaken any such CSR activity in those identified areas.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No): No,

The company predominantly procures items of industrial origin in bulk quantities. However, it does not currently have a preferential procurement policy aimed at sourcing from suppliers belonging to marginalized or vulnerable groups

(b) From which marginalized /vulnerable groups do you procure? Nil

(c) What percentage of total procurement (by value) does it constitute? Nil

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefits shared (Yes/ No)	Basis of calculating benefits share
	-	-		

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Name of authority	Brief of the case	Corrective action taken
	-	

6. Details of beneficiaries of CSR Projects:

We are steadfast in our commitment to conducting and expanding our business operations in a socially responsible manner. Our overarching goal is to promote sustainable living as a commonplace practice.

Endorsed by our Board of Directors, our Corporate Social Responsibility (CSR) Policy delineates a comprehensive agenda through which we aim to make meaningful contributions to the wider community. Over time, we have actively participated in numerous CSR initiatives spanning education, water conservation, skill development, health and hygiene, and environmental sustainability.

Sr. No.	CSR Project	Number of person benefited from CSR projects	% Of beneficiaries from vulnerable and marginalized groups
1	Education	51,841	100 % of the Projects serve the beneficiaries who are from the under privileged, marginalised, vulnerable and backward community of the society.
2	Health & Hygiene	15,937	
3	Water	2,679	
4	Rural Development	400	
5	Drinking Water facilities	229	

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicator

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Complaint registration and resolution follow a structured process managed through our Customer Relationship Management (CRM) system. At each Ion Exchange office location, designated Customer Relationship Officers (CROs) input all complaints into the CRM system. Depending on the product line and nature of the complaint, it undergoes review by the relevant authority (such as factory or business head) and is then addressed for effective resolution. Once resolved, notifications are sent to the respective CROs through the system. CROs then close the complaint in the system after verification with the customer, ensuring communication with all stakeholders within the organization.

For resolving consumer complaints related to Home Water Solutions, we maintain a dedicated call center staffed by customer care representatives. Additionally, customers have the option to reach out to us through a dedicated chatbot and WhatsApp number on our website. Our team also actively monitors consumer queries or complaints posted on official social media platforms and promptly forwards them to the appropriate team for response.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product.	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	Current Financial Year 2023 - 24			Previous Financial Year 2022 - 23		
	Received during	Pending resolution at end of year	Remarks	Received during	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	-
Forced recalls	Nil	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy: Yes.

Ion Exchange has created framework / policy on cyber security and risks related to data privacy and all available on official webpages of Ion Exchange Global and ZeroB.

Web-link:

(a) <https://ionexchangeglobal.com/privacy-policy/>.

(b) <https://ionexchangeglobal.com/terms-of-use/>.

(c) <https://www.zerobonline.com/privacy-policy/>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches : Nil

b. Percentage of data breaches involving personally identifiable information of customers : 0%

c. Impact, if any, of the data breaches : Not applicable

Leadership Indicator

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Yes.

Information on company's products and services can be accessed through various public domains, social media sites such as Ion Exchange official website, Facebook, LinkedIn, Twitter, YouTube handles. Following are the Web-link:

<https://ionexchangeglobal.com>.

<https://hydramem.com>.

<https://ionresins.com>.

<https://www.zerobonline.com>.

<https://www.labwater.in>.

<https://zerobhydrolife.co.in/>.

<https://www.facebook.com/IONEXCHANGE/>.

<https://www.linkedin.com/in/ion-exchange-india-limited-43a0126a/>.

https://twitter.com/IEI_Ltd.

<https://www.youtube.com/channel/UCqSuT-yd40l7RZ4p5UXuKbA>.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

All Products, Chemicals, resins come with an operation and maintenance manual & its MSDS to protect the safety of our clients.

We provide detailed product specifications and installation instructions with each Home Water Solution product.

Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

At Ion Exchange, sustainable innovation is a core part of the Company's DNA. The Company continues to work together and with our partners and customers to explore new ways to incorporate sustainable materials across our solutions and bring them to new markets including increased communications..

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

For Home Water Solution products, any disruption in service is communicated to the customer through a banner on the official website.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes.

The product information is displayed as per the applicable norms.

For Home Water Solution Product, in addition to the mandatory information, we also display a scannable QR code on the products to provide detailed information about each product.

Transparency and fairness in dealings with customers are followed across Ion Exchange and its group companies. None of the products withhold any relevant information needed by the customers to make informed decisions. Ion Exchange and its group companies, through their charters, policies, etc., communicate customer rights, company commitments, grievance redressal mechanisms, and ombudsman schemes, as applicable, which emphasise our commitment to fair practices by maintaining transparency in the products and services offered.

Alignment of BRSR principles with the SDGs

Principle SDG	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
			✓	✓				✓	
			✓			✓		✓	
			✓					✓	✓
			✓	✓	✓			✓	
		✓				✓		✓	
		✓				✓	✓		
		✓	✓		✓			✓	
		✓				✓	✓		
		✓				✓	✓		
			✓	✓			✓	✓	
		✓				✓			✓
		✓				✓	✓	✓	
	✓		✓	✓	✓			✓	
	✓						✓	✓	

Alignment of BRSR principles with the Sustainable Development Goals



Sustainable Development Goals adopted by Ion Exchange (India) Ltd.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE AND DEVELOPMENT

Overview:

Ion Exchange is honoured to preserve our planet's precious resources. Our presence is a testament to the vision and leadership of our founder, Mr. G.S. Ranganathan, who established a business dedicated to serving both society and the environment. Perseverance, dedication and the unwavering support of many friends, collectively laid the foundation of Ion Exchange. As we commemorate 60 years of trust, we pay tribute to a legacy characterized by commitment, innovation and global impact in environmental management. Throughout our remarkable journey, we have reached significant milestones, each representing a pivotal moment in our evolution.

From pioneering the production of world-class resins in India in the 1960s to being the first company in India to introduce the concept of reverse osmosis, from launching our first services division in 1986 to establishing our international division in 1991, and most recently entering the European market in 2023, these milestones have propelled us as a global company and set new benchmarks within our industry.

Every initiative has been driven by our commitment to leadership in our field, which is crucial to improving lives for generations to come. We strive to conserve the planet's most precious and finite resources through comprehensive water and environment management. Our approach integrates business objectives with environmental responsibilities, aligning with the United Nations Sustainable Development Goals for responsible consumption and resource management.

Key Trends

- **Technological Innovations:** Advancements in technology in the water and waste management sectors are aiming at "Doing More with Less". Innovations such as smart water management systems, IoT-enabled devices and advanced filtration, biological processes, desalination and minimal to complete Zero Liquid Discharge technologies with resource recoveries are enhancing efficiency and effectiveness. For instance, smart meters and sensors enable real-time monitoring, analytics for leak detection, reducing chemical, energy and water wastage.
- **Sustainable Practices:** Sustainability is at the forefront of the industry's evolution. There is a growing emphasis on adopting sustainable practices, such as water recycling, rainwater harvesting and the use of eco-friendly materials and green chemistry in water treatment processes. Companies are increasingly focusing

on reducing their environmental footprint and promoting circular economy principles.

- **Regulatory Changes:** Governments worldwide are implementing stricter regulations to ensure the sustainable use and management of water resources. These regulations aim to protect water bodies from pollution, ensure safe drinking water and promote efficient waste management practices. Growing concerns and newer standards for persistent organics (PFAS, PFOS etc) in water and compliance with these regulations is driving innovation and investment in the sector.
- **Public-Private Partnerships (PPPs):** Collaborations between the public and private sectors are playing a significant role in addressing water and waste management challenges. PPPs facilitate the sharing of resources, expertise and funding, leading to more effective and scalable solutions. These partnerships are particularly crucial in developing countries where infrastructure development is often underfunded.

Global Economy

Steady but Slow: Resilience amid Divergence

The global economy is forecasted to grow at 3.2 percent annually in 2024 and 2025, consistent with 2023. Advanced economies will see a slight growth increase from 1.6 percent in 2023 to 1.8 percent in 2025, while emerging markets will experience a minor slowdown from 4.3 percent to 4.2 percent. The long-term global growth projection of 3.1 percent is the lowest in decades. Inflation is expected to decrease from 6.8 percent in 2023 to 4.5 percent in 2025, with advanced economies hitting their targets sooner than emerging markets. Core inflation will decline more gradually. Despite significant central bank rate hikes, the global economy remains resilient.

The UNCTAD Trade and Development Report 2023 warns that the global economy is stalling, with growth slowing in most regions and only a few countries bucking the trend. It highlights issues such as divergent growth paths, widening inequalities, growing market concentration, and increasing debt burdens. Meeting the Sustainable Development Goals (SDGs) by 2030 is becoming less likely due to rising interest rates, weakening currencies, and slowing export growth, which limit government fiscal space. The report calls for a change in policy direction, including reforms by leading central banks, to prevent a lost decade. It urges global financial reforms, pragmatic policies to tackle inflation, inequality, and sovereign debt distress, and stronger market oversight.

Some key incidents that had global impact.

Indian Economy

India's economy is forecast to expand by 6.9 percent in 2024 and 6.6 percent in 2025, mainly driven by strong public investment and resilient private consumption. Aided by meteorology forecasts for good monsoon and robust agricultural outputs. As the unemployment rate dips to 6.7 percent and female labour force participation rises further, India is set to become a USD 4 trillion economy in 2025.

The Indian economic landscape is characterized by rapid growth and development. Key indicators such as GDP growth, infrastructure spending and government policies also significantly influence the water and environment sector.

Infrastructure Spending: India is making significant investments in infrastructure, including water supply and sanitation. Initiatives like the Jal Jeevan Mission continue to provide safe and adequate drinking water to all rural households. Investments in waste treatment programs are driving the expansion and modernization of water infrastructure across the country.

Government Policies: Government policies play a pivotal role in shaping the water and environment sector in India. Policies such as the National Water Policy and the Swachh Bharat Mission emphasize sustainable water management and waste disposal. Regulatory frameworks are also evolving to ensure compliance with environmental standards. The "Paani Bachao, Paisa Kamao" (Save Water, Earn Money) scheme incentivizes farmers to reduce groundwater usage.

Challenges and Opportunities: India continues to face several challenges in the water and environment sector, including water scarcity, pollution and inadequate infrastructure. However, these challenges present opportunities for innovation and investment. The growing emphasis on sustainable development and smart city initiatives is creating new avenues for growth in the industry.

Indian Water and Environment Industry

Water is an essential resource for life and economic development. The industry encompassing water conservation, protection, purification and waste management is vast and multifaceted, addressing the critical need to sustain this vital resource. As populations rise, urbanisation speeds, industry investment in expansion and green field projects rise and environmental challenges intensify, this industry role in sustainable growth is becoming increasingly crucial.

India's growing population, industrialisation, emergence of new sectors to sustain energy and food security will drive increased demand for drinking water, sanitation and industrial grade waters. However, water supply constraints will be exacerbated by worsening water

pollution, frequent droughts and/or uneven distribution of rainfalls due to climate change, and poor water resource management, leading to overuse and depletion of groundwater. With inadequate waste treatment facilities, the surface water continue to get excessively contaminated with sewage, agricultural runoff and even industrial waste. Global warming further aggravates these issues, posing severe threats to future water availability.

Way forward: Water audits are increasingly essential tools for water utilities and industries to identify high water usage areas, monitor water quality, quantify water losses, assess wastewater pollutant loads and determine mitigation techniques through reduction, recycling and reuse. These audits enable industrial units to explore viable options for reducing water usage, minimizing wastewater generation, reusing treated water and maximizing recovery. Additionally, water audits provide water efficiency solutions that help organizations comply with statutory obligations, achieve cost savings and demonstrate their commitment to environmental sustainability. The potential water savings from such audits can result in billions of litres of treated water conserved, translating to significant financial savings and increased operational efficiency.

A prime example of the effectiveness of water audits is the initiatives by Total Water Management Services Ltd that has helped industries in India and abroad to reduce their water foot prints while enhancing the quality of water assets through modernisation of equipments and processes at minimal costs.

Ion Exchange's foothold: The Indian residential water purifier market size is estimated to grow at a CAGR of around 16.34 percent during the forecast period, i.e. 2024-30. Ion Exchange as one of the leading players in Indian residential water purification industry with unique strategic positioning of its products, sales and service set up is well poised to grow profitably in line with industry growth. It's initiatives and success in high end technology products like alkaline, hydrogen water purifiers, high recovery ROs and UF/UV systems along with its pole position in widest range of water conditioners, augurs well for the Company's growth in the fastest growing segment in water industry.

Ion Exchange stands as one of the few global companies equipped with a diverse array of technologies, products, solutions (EPC) and services. This is key in our mission to ensure total water and environmental solutions. We aim to support every sector, municipal infrastructure, industrial, institutional and residential, urban and rural alike. Thus, Ion Exchange's continues to "manage water better" in core sectors such as thermal and nuclear power stations, fertilizers, steel and refineries and diverse industries such as chemical automobiles, electronics, paper, food and beverage, pharmaceuticals, textiles, real steel, hospitality and healthcare.

In our journey of 60 years, through our vision and innovative technologies and with a mission to employ sustainable measures in this industry, we are committed to addressing the challenges of water management not only in India but also global geographies we serve with our world class products, technologies and services. Working continuously towards ensuring universal access to potable water, all our efforts and strategies are aligned towards environmental conservation for sustainable development.

B. Highlights of Performance:

Standalone

- Total Income: INR 2227 crores registering a growth of 14.9% annually
- EBITDA: INR 314 crores
- EBITDA Margin: 14.1%
- Net Profit After Tax: 204 crores
- PAT Margin: 9.2%
- Diluted EPS: 16.603 (Face value INR 1 each)

Consolidated

- Total Income: 2392 crores registering a growth of 17.8% annually
- EBITDA: 316 crores registering a growth of 6.8% annually
- EBITDA Margin: 13.2%
- Net Profit After Tax: 195 crores
- PAT Margin: 8.2%
- Diluted EPS: 16.534 (Face value INR 1 each)

C. Segment wise Operational Performance:

The business of your company can be segmented into:

1. Engineering
2. Chemicals
3. Consumer Products

Engineering

The Engineering business demonstrated robust growth, achieving significant milestones such as successfully commissioning one of the largest Nanofiltration installations at Cairn Energy, Barmer. Despite challenges, the Sri Lanka Project progressed to 96% completion, with several facilities handed over for beneficial use. Project closure is expected within this financial year. The UP Jal Nigam project also made steady progress, contributing to the government's Har Ghar Jal Mission by supplying drinking water to

numerous households. The establishment of a World Class Engineering Centre at Rabale is set to support the increasing domestic and international demand. While domestic order inflows were subdued, international markets provided steady orders, ensuring a healthy order backlog for continued growth for the current year. Our bid pipeline from core industries such as Oil & Refining, Steel, Power & Chemicals, Food & Beverages, Pharmaceuticals, Automobile & Components remains strong, indicating steady future growth.

On a standalone basis, the Engineering segment achieved a turnover of INR 1,380 crores compared to INR 1,179 crores for the previous year. The profit from Engineering Operations stood at INR 116 crores.

The Membrane Division continued to deliver impressive results, with double-digit growth in its top-line and proportional growth in EBITA margins. The success of its range of world-class membranes (RO, NF) and the earlier-than-planned capacity expansion have bolstered market share in India and increased exports to regions where the company has a global presence. In FY 2023-24, the division nearly doubled its EBITA margins. With close to 1,50,000 membrane elements installed and operating satisfactorily across India, the division's market share in wastewater recycling is also growing annually due to the robust performance of its Fouling Resistant High Brackish Water Membranes. A major highlight was the successful commissioning of a large Nano Filtration membrane system under challenging conditions

Chemical Segment

The Chemical segment experienced steady domestic sales growth, although export volumes were affected by geopolitical issues and recessionary trends in global markets, particularly in the US and Europe. Despite this, the segment saw improved margins due to stabilized input costs, energy efficiency, and sustainability projects that reduced operating costs and enhanced productivity. The company successfully tested its "Green Chemistry" products, bolstering its reputation for providing environmentally sustainable solutions. New ion exchange resins and adsorbents were introduced in both local and export markets.

On a standalone basis, the Chemical segment achieved a sales turnover of INR 612 crores. In response to increased demand for ion exchange resins, a greenfield expansion project for manufacturing these resins is under construction in Roha, Maharashtra. This state-of-the-art facility will align with internal sustainability goals and environmental quality management practices.

Consumer Products

The Consumer Products segment, including Home Water Solutions and Institutional segments, achieved significant growth through product innovations and successful launches. Enhanced customer service and participation in government initiatives contributed to

growth across various verticals. Together, it achieved a turnover of INR 254 crores.

ZeroB Home Water Solutions saw significant revenue and profit growth driven by product innovations and the success of the ZeroB Hydrolife range. New products, including Fully Automatic Bathroom Softeners and portable hot & normal water purifiers, contributed to this growth. Focusing on quality, rapid response, and customer service enhanced customer experience and brand preference.

The Institutional segment, serving Realty, Hospitals, Hospitality, and PSUs, recorded topline growth compared to the previous year. Notable achievements included securing significant orders from Indian Railways for the Railway Stations Redevelopment (Amrit Bharat Station Scheme) and hospital projects in the North East through EPC contractors. We closed orders for more than ten stations across the West region and also won orders for large-capacity plants at a couple of stations in North India. The launch of Auto Quencher, a system for packaged drinking water in glass bottles, received positive customer feedback for its aim to eliminate single-use plastics. A mix of Sewage Treatment and Water Treatment plants contributed to the segment's annual performance.

The Commercial Water segment experienced notable growth, securing key accounts such as the Airport Authority of India, Decathlon, Mercedes Benz, Force Motors, and Reliance Life Science. The Lab Q Spectra with Digital & Smart Display gained traction in many IITs and renowned laboratories, highlighting the segment's success and potential for further development.

The Rural Segment continues to grow through participation in government initiatives like the Jal Jeevan Mission via PHED (Public Health Engineering Department) and support to various NGOs and company foundations dedicated to CSR activities.

Exports

The International Division achieved a turnover of INR 356 crores. Despite a drop in turnover due to delayed customer clearances and shipping delays related to the Red Sea issue, significant efforts were focused on the Middle East, Africa, and Southeast Asia. The division saw strong business growth from the Middle East and North Africa, particularly in Engineering projects with good carry-forward orders. In the upcoming financial year, the focus will remain on geographical areas where Indian products are well accepted.

Post-pandemic, overseas operations have stabilized, with the Saudi Arabia operation now concentrating on Engineering and Chemical businesses. The Joint Venture in Oman continued to generate profit, and operations began for the newly established company in Portugal, Europe. The resin business is experiencing growth, especially in Europe and North America, with

the new venture in Portugal supporting these plans. There are plans to expand the chemicals business significantly in the international market. Appropriate actions are being taken to address global conflicts and freight-related issues due to Red Sea problems.

Digital Initiatives

In FY 2023-24, we adopted the latest digital tools to enhance customer experience and business operations. Multiple omni-channel digital campaigns boosted product awareness and promotion, increasing digital reach, engagement, and business leads. Product and industry-specific campaigns on various channels further increased customer interactions and digital inquiries. Tailored performance marketing and social media campaigns targeted specific product categories, improving customer involvement. Lead and marketing automation initiatives enhanced reach and productivity, driving incremental sales and brand building. Digitalization increased the Consumer Care Business (Zero B) brand footprint. During the year, your Company made considerable progress in developing and applying digital technologies to improve its service deliverables.

D. Risks, Threats, Concerns & Risk Mitigation

Risk pre-emption associated with a robust risk mitigation strategy has been a priority on the management's agenda. A comprehensive risk management framework that identifies, assesses and reports the risks arising out of internal as well as external factors, also includes a mitigation plan to eliminate/minimize the impact of these risks. The multi-layered risk management framework adopted by your Company is aimed at achieving the strategic objectives of increasing market share, optimal utilization of assets to increase productivity, comprehensive financial reporting and compliance to regulatory and social obligations.

On the global front, growth has been projected at 3.2 percent in 2024 and the forecast for 2024 is 0.2% higher than growth estimated for 2023 by World Economic Outlook in October 2023. Global inflation is declining faster than expected in most regions and from the mid-2022 peak, economic activity grew steadily thus defying the warnings of stagflation and global recession. The global economic recovery from the shocks of COVID 19 pandemic, Russia invasion of Ukraine and the cost of living crisis is proving to be surprising resilient. However, this apparent resilience is masking both the short-term risks in various markets and global economic structural vulnerabilities. Amid high levels of debt, rising borrowing costs, persistently low investment, weak global trade and mounting geopolitical risks, the global economy is expected to grow at a subpar pace in 2024 and 2025. Although the inflation slowed down considerably in 2023, major central banks including the US signaled their intention to hold interest rates. The Global merchandise trade and the global industrial production remain exceptionally weak and cyclical. In fact, in the 3rd quarter of 2023, the Global manufacturing purchasing

manager's index was in contraction territory in all the world's largest economies except India.

The US and other several large emerging markets achieved relatively better performance with higher household spending and private consumption but the long term borrowing cost continued to increase. The Euro area, however, displayed the smallest upside growth thus reflecting weak consumer sentiments and lingering effects of higher high energy prices which was mainly on account of most European countries opting to support Ukraine in Russia – Ukraine conflict thus resulting in trade bans from developed nations and flight of human capital out of these countries. In China, inflation fell unexpectedly, reflecting lower domestic food prices. However, low confidence of world economy on the Chinese entrepreneur resulted lower demands for Chinese products and also generated demand for improving manufacturing capabilities by countries with low labor cost, especially India. In rest of the world, growth in certain countries in MENA and the South East Asia region, was observed. In the lower income countries, inflation was on higher side which was more off the pass effect of International food, fuel and fertilizer cost as well as currency depreciation. Moreover, significant country based challenges persist in vulnerable economies—including in low-income countries and those facing elevated levels of conflict and violence where growth prospects have deteriorated markedly.

Global growth is projected to be at 3.2 percent in 2024 and rising modestly to 3.3 percent in 2025. Advanced economies are expected to see growth decline slightly in 2024 before rising in 2025, with a recovery of growth in Euro area and moderation of growth in the US. The forecast assumes that commodity prices as well as interest rates will decline in the near future. The IMF projections are for policy rates to remain at current levels for the Federal Reserve, European Central Bank and Bank of England with the decline in the rates by the 2nd half of 2024. These forecast are likely to hold good as policy rates are being softened by the Federal Reserve and the Bank of Japan is also known to have moved in the same direction.

During 2023-24, your Company continued with its reassessment of short-term and long-term impact on the economies of countries of interest. Geopolitical tension between Russia and Ukraine and Israel and Hamas, was expected to result in surge of oil prices, but actually resulted in only minor upward spikes and thereby muted the impact on commodity prices. Lower confidence on Chinese products and with the backdrop of growing political uncertainty due to conflicts between Russia – Ukraine and rising tensions between Israel - Iran, compelled countries to rethink their sourcing strategies. The shift in focus to strengthen domestic manufacturing capabilities to take advantage of lower manufacturing cost was commensurate with the Government initiative of "Aatma-Nirbhar Bharat". Lower confidence on account of geopolitical tensions did have

moderate impact on your Company export turnover initially in first two quarters of 2023-24, more so in the US market, but the exports picked up in the 3rd and 4th quarter of 2023-24. To tap business opportunities in the international markets of interest, to ward off threat on the price front from other countries and to deliver as per the quality standards and prices in the export market, your Company continued with its effort of building capabilities domestically as well as in the countries of interest by investing in business and manpower.

As per the current estimates by the Department of Economic Affairs, the Indian economy has grown by 7.3% in 2023 as against the growth of 7.2% in the year 2022. This growth is attributed to increase in Public sector investment, robust financial sector and strong non-food credit expansion. The geo-political conflicts viz Russia – Ukraine and Israel-Hamas did put minor pressure on the oil prices, however the resultant impact was not felt on the commodity prices. However, climatic changes and disruption of logistics due to geopolitical tension on the global arena had its impact on India's retail inflation. In spite of these headwinds, GoI and the RBI were successful in keeping the inflation at a manageable level. The GoI cut the excise and customs duties and restricted exports to restrain inflation while RBI raised the repo rates and rolled back excess liquidity in the market. Volatility in the currency market was well managed due to the strength of Indian forex reserves position and also by Government intervention in forex market.

In order to cash in on the growth opportunities in the Indian markets and to offset the impact of uncertainties, your Company continued to build a good order bank of profitable businesses. The emerging opportunities were evaluated for the risk appetite they carry and unprofitable or highly volatile opportunities were declined. Your Company continued to maintain a healthy mix of profitable and relatively stable stream of revenues from the engineering, chemical and home segment along with a good opening order bank. Though your Company is facing challenges at the local operation level in a major domestic engineering job, yet the Engineering segment of your Company plans to execute jobs requiring substantial infrastructure capabilities for which necessary investment is planned. Your Company maintained an apt mix of large and small business, ensured steady stream of revenue by maintaining the quality of its products and services in the domestic as well as the international market and proactively adjusted to the price sensitive scenarios.

For large EPC jobs selection, your Company continues to be cautious and decisions are taken objectively; basis the built-in robust and dynamic risk identification and mitigation framework. The risk framework encompasses objective evaluation with respect to various risks associated with the jobs, creation of proper infrastructure for tight operational and internal controls and an extensive monitoring mechanism. Other risk mitigating measures include robust screening mechanism of

customers for ensuring business with only credit worthy customers, prime focus on liquidity and positive operational cash flow and a control over discretionary spend. Your Company continues to reassess and realign its strategies in the wake of the changes in market dynamics and business uncertainties brought about by the international uncertainties..

E. Human Resources and Training

The company focuses on talent development through performance management, training programs, and leadership development. Succession planning ensured a strong leadership pipeline and a mentorship program was launched to develop supervisory skills among employees.

The company's long-term success relies on attracting, developing, and retaining talent. The Human Resources Policy emphasizes mutual respect, trust, transparency, open communication, and cooperation. HR Managers aim to provide professional guidance to line managers to optimize performance and ensure good working conditions. The recruitment process focuses on gender balance and diversity and hiring candidates with the right capabilities, academic qualifications, and experience. Significant talent is sourced from reputed campuses through trainee programs, creating a future talent pipeline. The company prioritizes internal talent for higher-level vacancies and uses the Talent Assessment and Succession Planning Process to assess potential and plan succession.

Training & Employee Development: The company values its employees as its most important resource, ensuring their all-around development through continued learning. Employees receive training in technical, functional, and behavioral skills. Throughout the year, various technical training sessions on new and existing technologies were conducted by in-house experts, leveraging technology to ensure knowledge continuity.

Prioritizing Employee Well-Being: The company prioritizes employee health and well-being with annual medical checkups, screening camps, health promotional activities, and awareness programs. Medical professionals conducted webinars on mental health and emotional wellness. Over 100 employees participated in a weight loss challenge across offices to improve physical health and reduce disease risk.

F. Internal controls

Your Company maintains a robust internal control framework to ensure that there is reasonable assurance with respect to all information within the business and for that which is available for external publication is correct and adequate. The existing governance and policy framework implemented by your Company provides reasonable assurance of the efficacy of the internal control operating within the Company.

The Company has a well-qualified Internal Audit Department. The internal audits are planned from risk perspective. In preparing the Annual Audit Plan, reference is made to past audit experience, current economic and business environment, the groups risk matrix, directives from senior management and audit committee members. Major observations are periodically highlighted to the audit committee members, corrective steps are taken and are also reviewed by the statutory auditors.

G. Social Responsibility Initiatives

The company undertook various CSR initiatives through the Ion Foundation. These efforts aim at community development and empowerment, impacting multiple states positively. We believe that businesses can only thrive if the communities in which they operate also prosper. Our CSR programs are designed to have a long-term, meaningful impact on the upliftment of marginalized communities, accelerating change and improving their quality of life while contributing to global sustainable development goals. For Ion Exchange, local communities are our most important stakeholders, and we aim to create stable and sustainable futures for them. Ion Foundation has been established to conduct community impact interventions directly through employee volunteers or NGO partners, local authorities, and village panchayats.

Education:

Infrastructure Support: Renovation, construction of classrooms, sitting arrangements, wall paintings, toilets, drinking water facilities, sports materials, science labs, smart classes, etc.

Quality Education: Introducing innovative digital education, smart classes, syllabus-installed TVs, covering teaching expenses for volunteer teachers, free tuition classes, and setting up science labs.

Student Support: Sponsorships for primary and higher education, career counseling programs, enhanced school attendance, and enrollment through basic infrastructure and sanitation units under Swachh Bharat Abhiyaan.

Sports Promotion: Sponsoring sports competitions at local, national, and international levels, benefiting more than 250,000 children.

Medical, Health & Hygiene:

Facility Upgradation: Upgrading government hospitals with the latest equipment for operation theatres.

- **Health Camps:** Organizing health checkup camps, including eye health camps.
- **Treatment Support:** Covering expenses for acid attack survivors, cancer, and palliative care patients.

- **Menstrual Hygiene:** Raising awareness and increasing access to high-quality sanitary napkins through vending machines and incinerators in 16 schools for approximately 4,000 girls.
- **Dialysis Support:** Providing AKD (HemoDialysis) units to medical centers.
- **Drinking Water Facilities:** Installing drinking water facilities for various institutions.

Women Empowerment:

- **Driving Courses:** Supporting driving courses for 25 women, with 12 placed in jobs.
- **Life Skills Training:** Providing training in life skills, spoken English, and self-defense (Krav Maga).
- **Legal Awareness Sessions:** Offering sessions to enhance legal awareness among participants.

Rural Development & Environment Conservation:

- **Water Conservation Programs:** Constructing farm ponds and solar-powered irrigation systems.
- **Organic Farming Support:** Encouraging organic farming by improving irrigation facilities, creating additional income sources for farmers, and promoting the installation and operation of solar water pumps.

- **Tree Plantation Program:** Planting nearly 400 saplings of fruits, vegetables, and flowers around farm pond bunds in Maharashtra villages.

These initiatives underscore our commitment to social responsibility. We focus on education, health, women's empowerment, rural development, and environmental conservation to foster sustainable community growth.

Cautionary Statement

The statements or explanations given in this report may contain some forward looking statements based on assumptions having regard to the government policies, economic conditions, etc. The management cannot guarantee the accuracy of the assumptions and expected performance of the Company in future. Hence, the actual results may substantially differ from those expressed or implied herein.

On behalf of the Board of Directors

Sd/-
Rajesh Sharma
Chairman & Managing Director

Place : Mumbai
Date : 29th May, 2024

CORPORATE GOVERNANCE REPORT

1. PHILOSOPHY

The Company's philosophy on Corporate Governance is to observe highest level of ethics in all its dealings, to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximizing value for all its stakeholders.

The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (Listing Regulations) as applicable with regards to Corporate Governance.

2. BOARD OF DIRECTORS (THE BOARD)

i. Composition & Category of Directors [as on 31st March, 2024]

The Board comprises of twelve (12) directors, of whom eight directors are Non-Executive Independent directors and one is a Non - Executive Non - Independent director.

The Composition of Board is given below:

Name	Category
Mr. Rajesh Sharma	Executive - Chairman & Managing Director
Mr. Dinesh Sharma	Executive Director
Mr. Aankur Patni	Executive Director
Dr. V. N. Gupchup	Non-Executive, Independent
Mr. M. P. Patni	Non-Executive, Non-Independent Director
Mr. T. M. M. Nambiar	Non-Executive, Independent
Mr. P. SampathKumar	Non-Executive, Independent
Mr. Abhiram Seth	Non-Executive, Independent

Name	Category
Mr. Shishir Tamotia	Non-Executive, Independent
Ms. K.J. Udeshi	Non-Executive, Independent
Mr. David Rasquinha	Non-Executive, Independent
Mr. Sanjay Joshi	Non-Executive, Independent

The Company does not have a Nominee Director on the Board.

ii. Board Meetings, Annual general meeting and Attendance of each Director

The Company held eight Board Meetings on 20th April, 2023, 26th May, 2023, 14th June, 2023, 26th July, 2023, 8th September, 2023, 27th October, 2023, 25th January, 2024 and 21st March, 2024.

At every board meeting, the matters specified under Schedule II (Part A) of Listing Regulations were placed and discussed.

The notice of each Board meeting is given in writing to each Director. The Agenda along with relevant notes and others material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting. This ensures timely and informed decision by the Board. The Board reviews the performance of the Company vis a vis the budget/targets.

The previous Annual General Meeting (AGM) of the Company was held on 8th September, 2023 was attended by all Twelve Directors.

The attendance of directors at the Board meeting, their Directorships in other Companies and Membership / Chairmanship in the Committees constituted by other Companies are given below:

Name	No. of Board Meetings Attended	Directorships in other Company(s) as on (31/03/24)#	Member/ Chairman of committees of other company(s) as on (31/03/2024)	Name of the Listed Company (s) in which Director holds Directorship & Category of Director
Mr. Rajesh Sharma	8	17	1	-
Mr. Dinesh Sharma	8	13	2 (Including One Chairman)	-
Mr. Aankur Patni	8	9	1	-
Dr. V. N. Gupchup	7	3	2 (Including One Chairmanship)	-
Mr. M. P. Patni	8	9	1	-
Mr. T. M. M. Nambiar	8	3	1	1. Navin Fluorine International Limited Non- Executive - Non Independent Director
Mr. P. Sampath Kumar	8	0	0	Nil
Mr. Abhiram Seth	8	6	2	1. LT Foods Limited - Non-Executive - Independent Director 2. Varun Beverages Limited- Non-Executive - Independent Director

Name	No. of Board Meetings Attended	Directorships in other Company(s) as on (31/03/24)#	Member/ Chairman of committees of other company(s) as on (31/03/2024)	Name of the Listed Company (s) in which Director holds Directorship & Category of Director
Mr. Shishir Tamotia	8	1	0	Nil
Ms. K.J. Udeshi	7	7	4 (including 4 Chairmanship)	1. Haldyn Glass Limited - Non-Executive - Independent Director 2. Thomas Cook (India) Limited - Non- Executive -Independent Director 3. Cartrade Tech Limited - Non-Executive - Independent Director 4. Kalyan Jewellers India Limited - Non-Executive -Independent Director
Mr. David Rasquinha	8	5	3 (including 1 Chairmanship)	1. Ajanta Pharma Limited Non-Executive -Independent Director
Mr. Sanjay Joshi	5	3	Nil	Nil

It covers foreign, private, public and listed companies.

iii. Inter – se relationship among Directors

- Mr. Rajesh Sharma & Mr. Dinesh Sharma are brothers
- Mr. M. P. Patni is the father of Mr. Aankur Patni

Except for the above, there are no inter – se relationship among the other directors

iv. Following is the Matrix showing skills/ expertise/ competence of the board of directors which are required in the context of its business/(es) and sector(s):

Name of the Director	Skills/ Expertise/ Competence
Mr. Rajesh Sharma	Vast Experience in Sales, Marketing and Management
Mr. Dinesh Sharma	Vast experience in field of Business Management, Marketing and Management position
Mr. M.P. Patni	Marketing of heavy and medium engineering equipments, water treatment plants and allied items.
Mr. Aankur Patni	Finance Management & Information Technology.
Mr. Abhiram Seth	Rich and varied professional experience in the area of sales and marketing including exports.
Mr. T.M.M. Nambiar	Vast experience & Expertise in the field of Finance and General Management.
Mr. P. SampathKumar	Exposure in the field of handling large projects of National Importance.

Name of the Director	Skills/ Expertise/ Competence
Dr. V. N. Gupchup	Vast Experience in the field of Technical Education.
Mr. Shishir Tamotia	Vast Experience in Science and Technology
Mrs. Kishori Udeshi	Vast experience in the Banking, Non-Banking sector, Financial sector and Regulatory matters.
Mr. David Rasquinha	Vast exposure in the fields of Banking, Risk Management, Capital Markets and Treasury while being associated with EXIM Bank.
Mr. Sanjay Joshi	Vast Experience in Science, Engineering and Project Management

v. Code of Conduct

The Board of Directors has laid down code of conduct for all Board members and senior Management of the Company.

A copy of the code has been put on the Company's website www.ionexchangeglobal.com.

A declaration signed by the Managing Director is given below:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the code of conduct in respect of the Financial Year 2023-24.

Rajesh Sharma
Chairman & Managing Director

3. AUDIT COMMITTEE

The Audit Committee regularly reviews and analyses the adequacy of internal control system, the financial and risk management policies of the Company and other matters as laid down under Regulation 18 (3) read with Part C of Schedule II of the Securities And Exchange Board of India (Listing Obligations And disclosure Requirements) Regulations, 2015. The Internal Auditor submits reports periodically to the Committee and suggestions are given for effective functioning of the internal control system.

The Committee held six meetings during the year on 26th May, 2023, 14th June, 2023, 26th July, 2023, 27th October, 2023, 25th January, 2024 and 21st March, 2024.

Name	Number of the Audit Committee Meetings Attended
Mr. T.M.M.Nambiar (Chairman)	6
Dr. V.N.Gupchup	5
Mr. Abhiram Seth	6

4. NOMINATION AND REMUNERATION COMMITTEE

The remuneration policy of the company determines the remuneration package of the directors (executive and non-executive) and statutory compensation payment. The Remuneration Committee is headed by Dr. V. N. Gupchup (Non-Executive & Independent) along with the members of the Committee which are Mr. Abhiram Seth (Non-Executive & Independent) and Mr. M. P. Patni (Non-Executive & Non-Independent).

The Committee held three meetings during the year on 26th July, 2023, 7th September, 2023 and 21st March, 2024.

Name	Number of the Nomination and Remuneration Committee Meetings Attended
Dr. V.N.Gupchup (Chairman)	2
Mr. M.P. Patni	3
Mr. Abhiram Seth	3

REMUNERATION POLICY**(I) Criteria for Determining Qualifications, Positive Attributes & Independence of Director:****1. Qualifications of Independent Director:**

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

2. Positive attributes of Independent Directors:

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

3. Independence of Independent Directors:

An Independent director should meet the requirements of the Companies Act, 2013 and perform the obligations as specified under Regulation 25 of Listing Regulation concerning independence of directors. In the opinion of the Board, the Independent Directors fulfill the conditions specified under SEBI Listing Regulations as amended from time to time and are independent of the management.

(II) Remuneration Policy for Directors, Key Managerial Personnel and other employees**A. NON-EXECUTIVE DIRECTORS (NEDs)**

NEDs shall be paid a sitting fee of Rs. 50,000/- for every meeting of the board, Rs. 25,000/- for other committees thereof and Rs. 10,000/- for Stakeholder Relationship Committee attended by them as a member.

NEDs may be paid commission up to an aggregate amount not exceeding 1% of the net profits of the company for the year subject to availability of profits. The payment of commission shall be based on their attendance at the board and the committee meetings as member.

The company has no stock options plans and no payment by way of bonus, pension, incentives etc. shall be paid.

B. MANAGING DIRECTOR (MD's) & KEY MANAGERIAL PERSONNEL & OTHER EMPLOYEES

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent.

The Remuneration to Managing Director shall take into account the Company's overall performance, MD's contribution for the same & trends in the industry in general, in a manner which will ensure and support a high performance culture.

The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Remuneration to Directors, Key Managerial Personnel and Senior Management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The Managing Director and Executive Directors may be paid commission based on performance, subject to availability of profits.

The above criteria and policy are subject to review by the Nomination & Remuneration committee & the Board of Directors of the Company.

The remuneration paid to Chairman & Managing Director, Mr. Rajesh Sharma and Executive Directors, Mr. Dinesh Sharma and Mr. Aankur Patni during the financial year 2023-24 is given hereunder.

Name	Tenure	Salary & Allowances (INR)	Commission (INR)	Contribution to Provident & other funds (INR)	Perquisites (INR)	Total (INR)
Mr. Rajesh Sharma	2023-24	4,88,93,528	3,00,00,000	46,89,990	6,99,358	8,42,82,876
Mr. Dinesh Sharma	2023-24	1,95,42,080	1,50,00,000	38,17,200	53,270	3,84,12,550
Mr. Aankur Patni	2023-24	1,92,80,845	1,50,00,000	38,17,200	1,00,000	3,81,98,045

During the year, the Company paid INR 45,35,000/- as sitting fees to the Non-Executive Directors for attending the Board and Committee Meetings and INR 2,56,00,000/- as Commission. The details are given below:

Name of Director	Commission (INR)	Sitting fees (INR)	Total Compensation (INR)	No. of shares held
Dr. V. N. Gupchup	32,00,000	6,00,000	38,00,000	11,50,490
Mr. M. P. Patni	32,00,000	5,25,000	37,25,000	72,03,474
Mr. T. M. M. Nambiar	32,00,000	6,00,000	38,00,000	8,32,000
Mr. P. Sampath Kumar	32,00,000	4,50,000	36,50,000	5,83,450
Mr. Abhiram Seth	32,00,000	6,75,000	38,75,000	1,54,800
Mr. S.L. Tamotia	32,00,000	4,50,000	36,50,000	22,700
Ms. K.J. Udeshi	32,00,000	5,10,000	37,10,000	36,300
Mr. David Rasquinha	32,00,000	4,50,000	36,50,000	250
Mr. Sanjay Joshi	-	2,75,000	2,75,000	300

5. RISK MANAGEMENT COMMITTEE

Pursuant to an amendment to the Listing Regulations, the Company has constituted a Risk Management Committee with effect from June 8, 2021.

Ms. Kishori Udeshi, Non-Executive Independent Director, is the Chairperson of the Committee. Mr. Dinesh Sharma – Executive Director and Mr. Aankur Patni – Executive Director are the other Members of the Committee.

The Committee held two meeting during the year on 25th July, 2023 and 8th December, 2023 respectively.

The roles and responsibilities of the Committee are as under:

- To assist the Board in overseeing and implementation of the Company's risk management framework.
- To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management.
- To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
- To review the mitigation processes adopted by the company in respect of Information Technology and Cyber Security Risks that the Company is or may be exposed to, on a regular basis.
- To assure business growth with financial stability
- To carry out any other function as may be required by relevant laws or delegated by the Board.

6. EMPLOYEE STOCK OPTION COMPENSATION COMMITTEE

The Employee Stock Option Compensation Committee (ESOCC) of the company administers the Employee Stock Option Schemes. The ESOCC is headed by Mr. M. P. Patni (Non-Executive) along with the members of the Committee are, Dr. V. N. Gupchup, Mr. T. M. M. Nambiar and Mr. P. SampathKumar (Independent Director).

7. STAKEHOLDER'S RELATIONSHIP (GRIEVANCE) COMMITTEE

The members of the Committee are Dr. V. N. Gupchup (Non-executive and Independent), Mr. Rajesh Sharma and Ms. Kishori Udeshi. The Committee is headed by Dr. V. N. Gupchup and Company Secretary is the Compliance Officer.

To expedite the process of share transfer mechanism and for effective resolution of grievances/ complaints, the Committee has delegated powers to the executives of the Company Mr. Milind Puranik, Company Secretary and Mr. N. M. Ranadive, Chief Financial Officer.

The Stakeholders' Relationship (Grievance) Committee meets at regular intervals to review the status of redressal of Members'/Investors' Grievances.

The Committee held one meeting during the year on 21st March, 2024.

Number of Queries / Complaints / Requests received during the financial year from shareholders/investors:-

Sr. No.	QUERIES / COMPLAINTS/ REQUESTS RELATED TO	TOTAL RECEIVED	TOTAL REPLIED
1	Payments		
A	Instruments found already paid / payment sent for electronic credit to Bank	0	0
B	Outdated, Duplicate Warrants and Changes on live warrants (where new instruments being issued)	46	46
C	Issue of new Drafts against unencashed Drafts/ Recovery Drafts	43	41
D	Non Receipt of warrants (where recon in progress)	0	0
E	Non Receipt of payments (where new Instruments already issued)	9	9

Sr. No.	QUERIES / COMPLAINTS/ REQUESTS RELATED TO	TOTAL RECEIVED	TOTAL REPLIED
F	Unclaimed and Unpaid amounts transferred to ROC / IEPF	11	8
G	Miscellaneous	13	13
2	Annual Report	0	0
3	Bonus Issue	0	0
4	Change In Name / Status	11	11
5	Communication received through SEBI and other statutory/ regulatory bodies	3	3
6	Conversion / Demerger - Scheme of Arrangement / Exchange/ Merger - Amalgamation of Cos/ Subdivision	11	10
7	Dematerialisation/ Rematerialisation of Securities	9	9
8	Dividend / Interest	0	0
9	Document Registration	22	22
10	Legal Matters	0	0
11	Loss of Securities	199	186
12	Nomination	0	0
13	Tax Exemption	0	0
14	Transfer of Securities	2	2
15	Transmission of Securities	33	33
16	Other Queries	159	133
	TOTAL	571	526
	Request For		
1	Change of Address	87	84
2	Change in Bank Details	109	107
3	Issue of New Certificates on Split/ Consolidation/ Renewal	0	0
4	Nomination	12	3
5	Pan Updation	49	46
	TOTAL	257	240
	GRAND TOTAL :	828	766

Share Transfer System

All activities relating to processing of share transfers in physical mode & dematerialization activities are undertaken at the Company's Registrar & Transfer Agents, M/s. Linkin India Private Limited. The approval for transfers in physical mode and confirmation to the depositories on Demat requests are given within 10 days of receipt, provided the documents are clear in all respects. During the financial year 2023-2024 the Stakeholders' Relationship committee held 1 meeting on 21st March, 2024.

Dr. V.N. Gupchup (Non – Executive Director), Mr. Rajesh Sharma (Executive Director) and Ms. Kishori Udeshi (Non – Executive Director) are the members of the Committee. The Company Secretary is the Compliance Officer.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Board of Directors, at their meeting held on 28th May, 2014, constituted "Corporate Social Responsibility Committee" pursuant to the provisions of Section 135 of the Companies Act, 2013.

During the year 2023-24, the Committee met two times on 27th June, 2023 and 8th December, 2023. The Composition and details of the meetings attended by the members are given below:

Name	Number of the Corporate Social Responsibility (CSR) Committee meetings attended
Dr. V. N. Gupchup (Chairman)	2
Ms. K. J. Udeshi	2
Mr. M. P. Patni	2
Mr. Rajesh Sharma	2

The Company Secretary acts as the Secretary to the Committee.

The brief Terms of Reference of the CSR Committee are as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

9. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met twice on 14.06.2023 and 21.03.2024 inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

The Company has familiarized the Independent Directors with the Company, their roles, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. The details of the familiarization programme is available on the website of the Company at https://ionexchange.global.com/pdf/ionindia/FAMILIARIZATION%20PROGRAM_%20INDEPENDENT%20DIRECTORS.pdf

10. ANNUAL GENERAL MEETINGS;

Location and Time where last three Annual General Meetings were held:

Year	Date	Time	Location	Special Resolution Passed
2020-2021	24.08.2021	11.00 a.m.	Ion House, Dr. E Moses Road, Mahalaxmi, Mumbai-400 011	- To approve payment of Commission to Non-Executive Directors - To appoint a director in place of Mr. M. P. Patni (Age More than 75 years), who retires by rotation and being eligible, offers himself for reappointment
2021-2022	08.09.2022	11.00 a.m.	Ion House, Dr. E Moses Road, Mahalaxmi, Mumbai-400 011	- To appoint a director in place of Mr. M. P. Patni (Age More than 75 years), who retires by rotation and being eligible, offers himself for reappointment - To increase the borrowing limit under section 180(1)(c) of the Companies Act, 2013 - To approve the power to create charge on the assets of the company to secure borrowings up to INR 900 Crores pursuant to section 180(1)(a) of the Companies Act, 2013 - Appointment of Mr. David Rasquinha (DIN: 01172654) as an Independent Director of the Company
2022-2023	08.09.2023	11.00 a.m.	Ion House, Dr. E Moses Road, Mahalaxmi, Mumbai-400 011	- To appoint a director in place of Mr. M. P. Patni (Age More than 75 years), who retires by rotation and being eligible, offers himself for reappointment - To alter the object clause of the Memorandum of Association of the Company - Appointment of Mr. Sanjay Joshi (DIN: 01656787) as an Independent Director of the Company .

11. POSTAL BALLOT

During the year 2023-24, One Postal Ballot were conducted in accordance with Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 as per the details given below;

1. ORDINARY RESOLUTION

Sub-division of 1 (One) Equity share of the face value of Rs. 10/- (Rupees Ten Only) per share to 10 (Ten) Equity shares of face value of Re. 1/- (Rupee One Only) per share

Name of the Scrutinizer	Mr. Virendra Bhatt, Practicing Company Secretary	
Date of Report Of scrutinizer	24.03.2023	
Date Of Declaration Of Results	24.03.2023	
	Number of valid Postal / electronic ballot forms received	6441878
	Votes in favour of the Resolution	6441507
	Votes against the Resolution	371
	Number of invalid Votes (Postal/ Electronic)	0
	% Votes in favour	99.9942

2. SPECIAL RESOLUTION

Alteration of the Capital Clause in the Memorandum of Association

Name of the Scrutinizer	Mr. Virendra Bhatt, Practicing Company Secretary	
Date of Report Of scrutinizer	24.03.2023	
Date Of Declaration Of Results	24.03.2023	
	Number of valid Postal / electronic ballot forms received	6441784
	Votes in favour of the Resolution	6441311
	Votes against the Resolution	473
	Number of invalid/ Not Voted Votes (Postal/ Electronic)	2
	% Votes in favour	99.9927

3. SPECIAL RESOLUTION

Alteration of the Capital Clause in the Articles of Association

Name of the Scrutinizer	Mr. Virendra Bhatt, Practicing Company Secretary	
Date of Report Of scrutinizer	24.03.2023	
Date Of Declaration Of Results	24.03.2023	
	Number of valid Postal / electronic ballot forms received	6441784
	Votes in favour of the Resolution	6441311
	Votes against the Resolution	473
	Number of invalid/ Not Voted Votes (Postal/ Electronic)	2
	% Votes in favour	99.9927

12. DISCLOSURES

- a. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in notes to accounts annexed to the financial statements. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. As required under Regulation 23 of Listing Regulation the Company has formulated a policy on dealing with Related Party Transaction. The policy is available on the website of the Company.
https://ionexchange.global.com/pdf/ionindia/Related%20party_Policy_Updated_06042021.pdf
- b. The Board of Directors of the Company has adopted the policy and procedures with regard to determination of Material Subsidiaries. The details of the Policy are available on the website of the Company
<https://ionexchange.global.com/pdf/ionindia/POLICY%20FOR%20DETERMINING%20MATERIAL%20SUBSIDIARIES.pdf>
- c. The Company has not entered into any transaction of a material nature with the Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large
- d. With regard to matters related to capital markets, the Company has complied with all requirements of the Listing Regulation as well as SEBI regulations and guidelines. No penalties were imposed or strictures passed against the Company by the Stock Exchanges, SEBI or any other statutory authority during the last three years in this regard
- e. Disclosures have also been received from the senior management personnel relating to the financial and commercial transactions in which they or their relatives may have a personal interest. However, none of these transactions have potential conflict with the interests of the Company at large
- f. As required by Regulation 17(8) of SEBI LODR, the Compliance Certificate on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting has been obtained from Mr. Rajesh Sharma (Chairman & Managing Director) and Mr. N.M. Ranadive (Chief Financial Officer)
- g. The Company has complied with the compliances as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI LODR
- h. The Company has obtained a certificate from Mr. V. V. Chakradeo & Co., Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI, MCA or any such Statutory Authority

- i. During 2023-2024, the total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to BSR & Co. LLP and all entities in the network firm/network entity of BSR & Co. LLP was INR 76.47 Lacs.

13. POLICY FOR PREVENTION, DETECTION AND INVESTIGATION OF FRAUDS AND PROTECTION OF WHISTLE BLOWERS (THE WHISTLE BLOWER POLICY)

The Company is committed to provide an open, honest and transparent working environment and seeks to eliminate fraudulent activities in its operations. To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to report unethical behavior and actual or suspected frauds, the Company has adopted the Whistleblower Policy as per Regulation 22 of Listing Regulation.

No personnel have been denied access to the Audit Committee.

The Whistleblower Policy broadly covers a detailed process for reporting, handling and investigation of fraudulent activities and providing necessary protection to the employees who report such fraudulent activities / unethical behavior. The details of the Policy are available on the website of the Company.

<https://ionexchange.global.com/pdf/ionindia/Whistle%20Blower%20Policy.pdf>

14. MEANS OF COMMUNICATION

As per the requirements of Listing Agreement with The Bombay Stock Exchange and National Stock Exchange of India, Mumbai, the quarterly, half yearly and annual financial results of the Company are sent to the Stock Exchanges immediately after the same are approved by the Board. The same is published in English (Free press journal) and regional language (Navshakti) newspapers, within 48 hours of approval by the Board and uploaded on our company's website www.ionexchange.global.com

The Company hosts calls or meetings with institutional investors on request. Post the quarterly results, an analyst meet / call is organized which provides a platform for the Management to answer questions and provide clarifications to investors and analysts.

Annual report is circulated to all the shareholders and all others like Auditors, equity analysts, etc.

15. Details of Demat/Unclaimed Suspense Account

SEBI vide Circular dated 25th January, 2022, mandated that the Company/RTA shall verify and process the Investor service requests and thereafter issue a 'Letter of Confirmation (LOC)' in lieu of physical share certificate(s). The LOC shall be valid for a period of one hundred twenty days from the date of issuance within which the Member/ Claimant shall make a request to the

Depository Participant for dematerializing the said shares. In case, the demat request is not submitted within the aforesaid period, the shares shall be credited to the Company's Suspense Escrow Demat Account.

	Particulars	Number of Share-holders	Number of shares
Opening Balance	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	3	5,500
Less	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL	NIL
Less	Number of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL
Closing Balance	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	3	5,500

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

16. GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting

Date : 11th September, 2024

Time : 11:00 a.m.

Venue : The Company is conducting meeting through Video Conferencing (VC) / Other Audio Video Means (OAVM) pursuant to the MCA circular. For details please refer to the notice of AGM.

ii) Financial Year 2024-25

Financial year	1 st April to 31 st March
Quarter ending June 30, 2024	Last week of July, 2024
Quarter ending September 30, 2024	Last week of October, 2024
Quarter ending December 31, 2024	Last week of January, 2025
Year ending March 31, 2025	Last week of May, 2025

iii) Book closure date

The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday 4th September, 2024 to Wednesday, 11th September, 2024 (both days inclusive) for determining the entitlement of shareholders to receive dividend for the year ended 31st March, 2024, if declared at the Annual general meeting.

iv) Dividend payment date

Dividend, if declared shall be paid on or before 16th September, 2024.

v) Listing on Stock Exchange

The Company's equity shares are listed at BSE Limited and NSE Limited. Annual listing fees for the Financial Year 2023-24 has been paid to BSE & NSE.

vi) Stock code and ISIN Number

BSE Limited – 500214

NSE Limited - IONEXCHANG

ISIN Number - INE570A01022

vii) Rating Action

Long Term Rating	CRISIL A+/Stable (Upgraded)
Short Term Rating	CRISIL A1 (Reaffirmed)

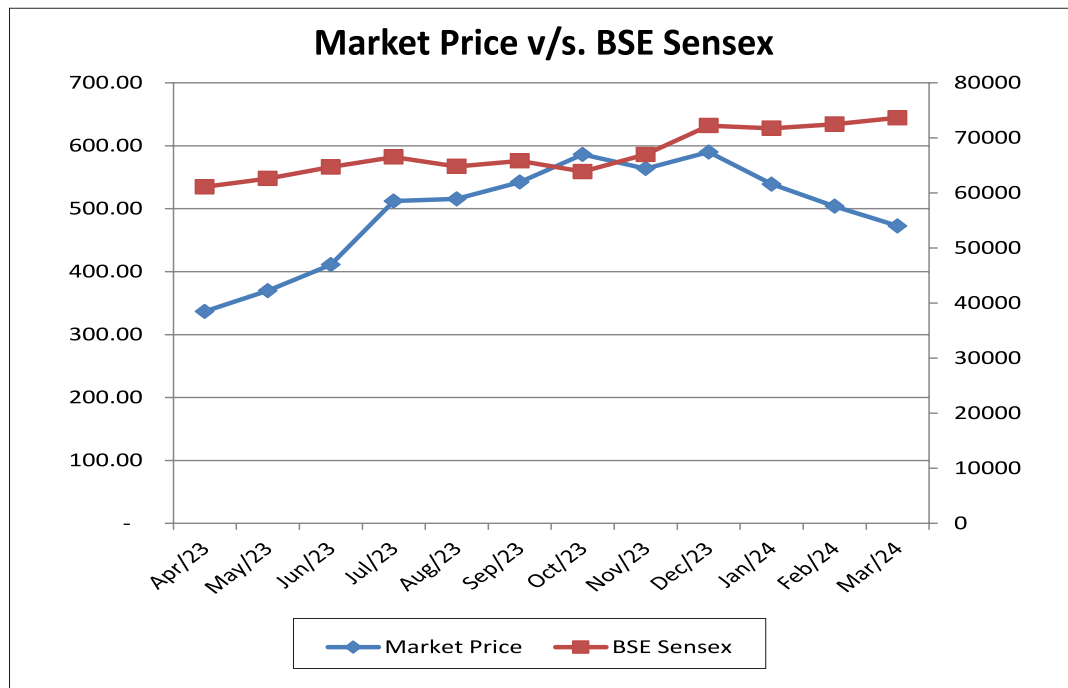
CRISIL has upgraded its 'CRISIL A+/Stable (Upgraded)/ CRISIL A1 (Reaffirmed)' ratings on bank facilities of the Company. The ratings continue to reflect the Company's established

market position in the water treatment segment, its diverse product mix, and comfortable financial risk profile.

During the year under review, there have been no revisions in Credit Rating obtained by the Company.

viii) Market Price Data: High/Low during each month of the Financial Year

Month	High Price (INR)	Low Price (INR)
Apr-23	354.86	318.63
May-23	413.53	326.10
Jun-23	435.37	386.55
Jul-23	609.20	415.20
Aug-23	575.35	456.00
Sep-23	592.05	492.60
Oct-23	687.55	485.00
Nov-23	606.05	521.60
Dec-23	632.55	547.55
Jan-24	583.85	494.00
Feb-24	537.85	469.95
Mar-24	510.00	435.05



DISTRIBUTION OF HOLDINGS AS ON 31/03/2024

DESCRIPTION SHARES			NO. OF HOLDERS	%	NO. OF SHARES	%
1	-	500	66035	85.48	5354003	3.65
501	-	1000	5085	6.58	3904343	2.66
1001	-	2000	2687	3.48	4043669	2.76
2001	-	3000	956	1.24	2430457	1.66
3001	-	4000	484	0.63	1736937	1.18
4001	-	5000	469	0.61	2185556	1.49
5001	-	10000	764	0.99	5564174	3.79
10001	-	999999999	770	1.00	121447451	82.81
TOTAL			77250	100.0	146666590	100

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2024

Category	Holdings as on 31-03-2024	%
Promoter & Promoter Group	38694606	26.38
Mutual Funds & UTI	14698991	10.02
Banks, Financial Institutions & Insurance Companies	2770	0.00
FII's	8258755	5.63
Domestic Companies	8504733	5.80
Public	50034431	34.11
NRIs/OCBs	2736164	1.87
Non Promoter Non Public	23736140	16.18
Total	146666590	100.00

Dematerialization of Shares and Liquidity

The Company's Equity Shares are in compulsory demat i.e. electronic mode and as on 31st March, 2024, 98.73% of the Equity capital were held in dematerialised form.

GDR / ADR / Warrants - Not applicable as not issued.

Plant Locations

Resin manufacturing plant	Unit II – 5811-12-13, GID Ankleshwar Industrial Estate Ankleshwar – 393 002 Bharuch, Gujarat
Assembly Centre for Local and Export of water treatment plants	R-14, TTC, MIDC, Nr. Thane Belapur Road, Rabale, Navi Mumbai - 400 701
Manufacture & Assembly of Standard Plants	105, SIPCOT Industrial Complex, Dharmapuri, Tamil Nadu, Hosur - 635 126
Water & Sugar Treatment Chemicals and Polymer Products	19/A, Phase II, Industrial Development Area Medak, Andhra Pradesh Patancheru - 502 319

Consumer Products	Plot Nos. L48 & L49 Verna Electronics City Phase II, Verna, Salcette Goa - 403 722
Membrane Manufacturing	Plot Nos. U 04/5, Plant Phase IV, Verna IDC, Verna, Goa - 403 722

Address for correspondence:

All investor related queries should be addressed to our Registrar & Transfer Agent

M/s. Link Intime India Private Limited

(Formerly Known as M/s. TSR Consultants Private Ltd)

Unit: Ion Exchange (India) Ltd.

C-101, 1st Floor, 247 ParkLal Bahadur Shastri Marg

Vikhroli (West) Mumbai – 400083

Tel No.: +91 8108118484

Fax No.: 6656 8494

Email: csg-unit@linkintime.co.in

Website: www.linkintime.co.in

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To the Members of Ion Exchange (India) Limited

We have examined the compliance of the conditions of Corporate Governance by Ion Exchange (India) Limited for the year ended 31st March, 2024, as per the relevant provisions of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15(2) of Listing Regulations for the period 1st April, 2023 to 31st March, 2024.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

V.V. CHAKRADEO & CO.
Company Secretaries

V. V. Chakradeo
Proprietor
(C.P. No.1705)

Place: Mumbai

Date: 29th May, 2024

Independent Auditors’ Report

To the Members of
Ion Exchange (India) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Ion Exchange (India) Limited (the “Company”), its IEI Shareholding (Staff Welfare) Trusts – Sixty trusts and HMIL Shareholding Trust’s (Seventeen trusts) (collectively referred to as the “trusts”) which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information in which are included the returns for the year ended on that date of the Company’s branch at Bengaluru (herein after referred to as ‘standalone financial statements’).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of branch auditor and trusts auditors and consideration of reports of erstwhile Global Composites And Structural Limited (hereinafter referred to as ‘transferor company’) on financial statements/ financial information of such branch, trusts and transferor company, as were audited by the respective auditors, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in the “Other Matters” section below, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of report of branch auditor and other auditors on separate financial statements/ financial information audited by them, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition	
See note 1.17, note 26 and note 40 to standalone financial statements	
The key audit matter	How the matter was addressed in our audit
The arrangement for EPC business contracts includes fixed price contracts. Revenue for such contracts usually extends beyond a reporting period. Contract revenue is measured using the input method or output method for measuring progress and is applied consistently for each performance obligation. - Application of the revenue recognition accounting standard is complex. - In case of the input method, one of the key estimates is total cost-to-completion of these contracts. It is used to determine the percentage of completion of the relevant performance obligation.	Our audit procedures over estimation of total contract costs and revenue recognition for EPC business included the following: - Assessed the appropriateness of the Company’s accounting policies in respect of revenue recognition by comparing with applicable Indian Accounting Standards. - Evaluated the design and tested the implementation and operating effectiveness of internal financial controls by testing a randomly selected sample of transactions. - Evaluated the design, implementation and operating effectiveness of Company’s general IT controls, and application controls over the Company’s IT systems. We have also tested the manual mitigating controls as appropriate.

The key audit matter	How the matter was addressed in our audit
This method requires the Company to perform an initial assessment of total estimated cost and further reassess these estimates on a periodic basis, including end of each reporting period. Considering the significant estimate involved in measurement of revenue in EPC business, we have considered measurement of revenue as a key audit matter.	- Examined journal entries posted to revenue to identify unusual or irregular items based on certain high-risk criteria. - For selected sample of contracts, we inspected key contractual terms with signed contracts and assessed revenue recognized in accordance with Ind AS by: i. Observed the approval of percentage of completion workings. ii. For selected samples, tested the Company's forecasted cost to completion, through comparison of costs incurred with project budgets, and executed purchase orders and agreements. Identified significant variations and tested variations resulting into re- estimating the remaining costs to complete the contract. iii. Compared, on a sample basis, revenue transactions recorded during the year with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts. Also, checked the related revenue, contract costs, evaluation for onerous contracts, contract assets and unearned revenue had been recognised in accordance with the Company's revenue recognition policies. iv. Performed analytical procedures on incurred and estimated contract costs or efforts. It includes assessment of contracts with unusual or negative margins, little or no movement in efforts from previous periods.

Recovery of carrying value of investments

See note 1.14 and note 44 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company has investments in subsidiaries and associates. These investments are accounted for at cost less any provision for impairment. The Company evaluates the indicators of impairment of the said investments regularly by reference to the requirements under Ind AS 36 Impairment of Assets. The Company carries out impairment assessment for each investment by: - Comparing the carrying value of each investment with the net asset values of each company. - Comparing the performance of the investee companies with projections used for valuations and approved business plans. The recoverable amounts of the above investments are estimated in order to determine the extent of the impairment loss. As impairment assessment involves significant assumptions and judgment, we regard this as a key audit matter. Refer to note 6 - "Investments" of the standalone financial statements.	Our audit procedures included the following: - Obtained an understanding of the Company's process for assessing the indicators of impairment of investments, and for the estimation of the recoverable value, wherever necessary - Evaluated the design, implementation and operating effectiveness of key internal controls over impairment assessment of investments in subsidiaries and associates. - Compared the carrying values of the Company's investment in subsidiaries and associates with their respective net asset values/ recoverable values and the consequent allowance for impairment if any. - Assessed the indications of impairment of investments in subsidiaries and associates. We have also examined the basis of estimates of the recoverable amounts of these investments, the assumptions used in making such estimates, and the allowance for impairment. In cases where such indicators existed, we have assessed for the estimation made by the Company for the recoverable amounts. - Involved internal valuation expert to assist in evaluating the key assumptions of the valuations. - Evaluated key assumptions in the Company's valuation models used to determine recoverable amount including assumptions of projected adjusted Cash Flow growth rate, rate used for discounting cash flows etc. We also evaluated the forecasts based on historical performance. - Tested the arithmetical accuracy of the computation of recoverable amounts of cash generating units. - Performed a retrospective analysis of actual performance with projections to identify significant variations and challenged whether those variations are required to be considered in estimating future projections. - We tested the related disclosures in Note 6 of the financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors'/Board of Trustees' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective management and Board of Directors of the company/ branch/ board of Trustees are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company/ Trusts and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/ Board of Trustees are also responsible for overseeing the Company's financial reporting process of each company/Trust.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of branch and trusts, including the financial information of the transferor company, to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements/ financial information of such branch and trusts included in the standalone financial statements of which we are the independent auditors. For the branch, trusts and the transferor company, included in the standalone financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- a) We did not audit the financial statements/information of 1 branch, 77 trusts and financial information of the transferor company consequent to its merger into the Company which has been given effect from the appointed date of 1 April 2023 (refer Note 55 to the standalone financial statements), included in the standalone financial statements of the Company, whose financial statements/financial information reflects total assets (before consolidation adjustments) of Rs. 5,643.63 Lacs as at 31 March 2024, total revenue (before consolidation adjustments) of Rs. 14,145.99 Lacs and total net profit after tax (before consolidation adjustments) of Rs. 843.38 Lacs and net cash inflow (before consolidation adjustments) amounting to Rs.113.71 Lacs for the year ended on that date, as considered in the standalone financial statements. The financial statements/financial information of these branch, trusts and transferor company been audited by the other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branch, trusts and transferor company, is based solely on the reports of such other auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit, except for the matters stated in the paragraph 2 (B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The reports on the accounts of the branch of the Company audited under Section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with by us in preparing this report.
 - d. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account and with the returns received from the branch not visited by us.
 - e. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - f. On the basis of the written representations received from the directors as on 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - g. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B (f) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014.
 - h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors, as noted in the "Other Matters" paragraph:
 - a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 49 to the standalone financial statements.
 - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 56(iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 56(v) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 59 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, except for instances mentioned below, the Company has used accounting softwares for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility except that audit trail was not enabled at the database level. Further, where the audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of audit trail feature being tampered with.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Place : Mumbai
Date : 29 May 2024

Glenn D'souza
Partner
Membership No. 112554
ICAI UDIN:24112554BKGFNV8683

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Ion Exchange (India) Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment and right of use assets were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value in Lacs	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Free hold Land – Agriculture Land	18.44	Alpaiwala, MD Dharmadhikari and N M Ranadive	Ex-Director, Ex-Employee and Employee	Since March 1997	Agricultural Land, which can not be held in the name of company
Free hold Land – Agriculture Land	9.00	Ajay Popat, Aspi Billimoria, J T Merchant, Kanhaiyalal Gwalani, T S Vishwanathan, Vijay Shankar Gangoli	Ex-Employee	Since July 1998 & Dec 1998	Agricultural Land, which can not be held in the name of company
Free hold Building – 2 LIG Flats and 1 MIG Flat	Nil	State Industrial Promotion Corporation of Tamil Nadu (Allotment of Property)	NA	Since March 1984	Title deeds are awaited from regulatory authorities

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee, granted loans and advances in the nature of loans, secured or unsecured to Companies and other parties in respect of which the requisite information in below table. Also, the Company not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to firms or limited liability partnerships during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity as below:

Particulars	Guarantees Rs. in Lacs	Security Rs. in Lacs	Loans Rs. in Lacs	Advance in the nature of loans Rs. in Lacs
Aggregate amount during the year				
Subsidiaries*	10,169.73	'-	5,924.33	'-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others	-	-	-	-
Balance outstanding as at balance sheet date				
Subsidiaries*	11,951.41	'-	5,940.38	-
Joint ventures*	-	-	-	-
Associates*	1,100.00	-	-	-
Others	38.88	-	-	-

*As per the Companies Act, 2013

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except for the following cases where there is no stipulation of schedule of repayment of principal and payment of interest and accordingly we are unable to comment on the regularity of repayment of principal and payment of interest:

Name of the entity	Amount (Rs. in Lacs)	Remarks
Ion Exchange Enviro Farms Limited	4,722.34	There is not stipulation of schedule of repayment of principal interest or payment of interest
Ion Exchange Purified Drinking Water Private Limited	74.71	
Ion Exchange Asia Pacific Pte Ltd.- Singapore	247.53	
Ion Exchange Asia Pacific (Thailand) Ltd.- Thailand	15.87	
Ion Exchange Projects And Engineering Limited	879.93	

Further, the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	All Parties (Rs in Lacs)	Promoters (Rs in Lacs)	Related Parties (Rs in Lacs)
Aggregate of loans/advances in nature of loan			
- Repayable on demand (A)	5,940.38	-	5,940.38
- Agreement does not specify any terms or period of Repayment(B)	-	-	-
Total (A+B)	5,940.38	-	5,940.38
Percentage of loans/advances in nature of loan to the total loans	100%	-	100%

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Profession Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act and Local Sales Tax Act	Sales tax (including interest and penalty, if applicable) - Disallowance on account of non-submission of required forms	77.70	1993-94 1995-96 2001-02 and 2009-10	Joint Commissioner Appeals
		146.86	2006-07, 2007-08, 2013-14, 2017-18	Assistant Commissioner Appeals
		62.48	2010-11	Commercial tax appeals
		3.29	2014-15	Deputy Commissioner Appeals
		3.15	2010-11	Deputy Commissioner of Sales Tax
		43.95	2008-09 2010-11 and 2011-12	Deputy Commissioner of Commercial Tax
		78.41	2016-17	Assistant Commissioner of Commercial Tax
		4.20	2008-09	Additional Commissioner of Commercial Taxes
		150.64	2010-11 and 2012-13	Sales Tax Tribunal
		166.19	2010-11	Objection Hearing Authority
The Central Excise Act	Excise duty (including interest and penalty, if applicable)	16.79	2004-05	Commercials of Central Excise- Appeals
		6.01	2006-07	Tribunal Appeals, Ahmedabad
		1.79	2020-21	JC Appeal Baroda
Finance Act, 1994-Service Tax	Disallowance of service tax taken on input services	3.41	2006-07 2007-08 and 2008-09	Additional Commissioner of Central Excise
		231.30	2020-21	CESTAT, Appeals
		293.56	2007-11 2011-13 and 2016-17	Assistant Commissioner of CGST Appeals
		54.80	2016-17 and 2017-18	Deputy Commissioner of CGST
		2.20	2011-12	Assistant Commissioner of Central Excise
Income Tax Act, 1961	Income Tax demand	245.64	2010-11, 2012-13, 2013-14, 2014-15, 2018-19, 2019-20	Commissioner of Income Tax (Appeal)
Goods and Services Tax Act	Goods and Services Tax (including interest and penalty, if applicable)	28.10	2017-18 to 2020-21	Deputy Commissioner Appeals
		15.34	2017-18	Assistant Commissioner Appeals
		17.96	2018-19	Joint Commissioner

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Place : Mumbai
Date : 29 May 2024

Glenn D'souza
Partner
Membership No. 112554
ICAI UDIN:24112554BKGFNV8683

Annexure B to the Independent Auditor's Report on the standalone financial statements of Ion Exchange (India) Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Ion Exchange (India) Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion and based on the consideration of report of the other auditors on internal financial controls with reference to financial statements of such branch as were audited by the branch auditor and auditors of erstwhile Global Composites And Structurals Limited (hereinafter referred to as 'transferor company'), the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements/ financial information insofar as it relates to one branch and transferor company, which is a company incorporated in India, is based on the corresponding reports of the auditor of such entities.

Our opinion is not modified in respect of above matters.

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

Place : Mumbai
Date : 29 May 2024

Glenn D'souza
Partner
Membership No. 112554
ICAI UDIN:24112554BKGFNV8683

Balance sheet as at 31st March 2024

	Notes	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	21,493.25	16,800.42
(b) Right-of-use assets	3	3,570.91	3,405.30
(c) Capital work-in-progress	4	6,072.51	4,194.65
(d) Other intangible assets	5	1,249.55	177.79
(e) Financial assets			
(i) Investments	6	8,422.98	5,909.03
(ii) Trade receivables	7	87.29	121.53
(iii) Loans	8	2,200.00	2,200.00
(iv) Other financial assets	9	872.58	763.67
(f) Deferred tax assets (Net)	10	782.55	1,040.82
(g) Other non-current assets	11	2,409.96	448.43
Total non-current assets		47,161.58	35,061.64
Current assets			
(a) Inventories	12	18,864.86	18,555.43
(b) Financial assets			
(i) Investments	13	53.61	31.71
(ii) Trade receivables	7	92,172.60	69,736.17
(iii) Cash and cash equivalents	14	11,038.25	15,861.46
(iv) Bank balances other than (iii) above	15	42,459.04	35,834.63
(v) Loans	8	4,081.33	4,433.24
(vi) Other financial assets	9	1,421.29	1,322.47
(c) Other current assets	11	15,825.76	12,584.89
Total current assets		185,916.74	158,360.00
Total assets		233,078.32	193,421.64
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	1,466.67	1,466.67
(b) Other equity	17	105,968.44	87,183.92
Total equity		107,435.11	88,650.59
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	4,381.57	1,567.56
(ii) Lease liabilities		872.18	341.48
(iii) Other financial liabilities	19	1,456.79	872.50
(b) Provisions	20	2,310.31	2,119.57
Total non-current liabilities		9,020.85	4,901.11
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	341.29	2,709.59
(ii) Lease liabilities		328.77	312.60
(iii) Trade payables	22		
- Total outstanding dues of micro and small enterprises		4,894.57	6,081.59
- Total outstanding dues of creditors other than micro and small enterprises		60,189.29	46,227.53
(iv) Other financial liabilities	23	5,886.67	3,621.61
(b) Other current liabilities	24	43,829.67	39,883.13
(c) Provisions	20	722.08	570.12
(d) Current tax liabilities (Net)	25	430.02	463.77
Total current liabilities		116,622.36	99,869.94
Total liabilities		125,643.21	104,771.05
Total equity and liabilities		233,078.32	193,421.64
Material accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

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

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

GLENN D'SOUZA
Partner
Membership no.: 112554

RAJESH SHARMA
Chairman & Managing Director
DIN - 00515486

M. P. PATNI
Director
DIN - 00515553

MILIND PURANIK
Company Secretary

Place : Mumbai
Date : 29th May 2024

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 29th May 2024

Statement of profit and loss for the year ended 31st March 2024

	Notes	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Income			
Revenue from operations	26	218,004.15	189,233.48
Other income	27	4,704.44	4,500.80
Total Income (I)		222,708.59	193,734.28
Expenses			
Cost of materials consumed	28	130,135.44	115,736.70
Purchases of stock-in-trade	29	9,062.40	7,053.54
Change in inventories of finished goods, stock-in-trade and work-in-progress	30	(216.03)	(672.42)
Employee benefits expenses	31	24,186.84	19,648.54
Finance costs	32	673.24	895.54
Depreciation and amortization expenses	33	3,295.20	2,813.02
Other expenses	34	28,136.83	23,679.68
Total expenses (II)		195,273.92	169,154.60
Profit before tax (I - II)		27,434.67	24,579.68
Tax expense	35		
Current tax		6,737.13	6,203.94
Deferred tax (credit) / charged	10	288.00	(137.86)
Total tax expense		7,025.13	6,066.08
Profit after tax (III)		20,409.54	18,513.60
Other comprehensive income	36		
Items that will not be reclassified to profit or loss			
(a) Remeasurement benefit of defined benefit plans		(118.12)	(313.47)
(b) Income tax expense on remeasurement benefit of defined benefit plans		29.73	79.16
Total other comprehensive income (IV)		(88.39)	(234.31)
Total comprehensive income (III + IV)		20,321.15	18,279.29
Earnings per equity share:			
[Nominal value of shares INR 1 (2022-2023: INR 1)] (Refer note 37)			
Basic (in INR)		16.603	15.060
Diluted (in INR)		16.603	15.060
Material accounting policies	1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date attached

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

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

GLENN D'SOUZA
Partner
Membership no.: 112554

RAJESH SHARMA
Chairman & Managing Director
DIN - 00515486

M. P. PATNI
Director
DIN - 00515553

MILIND PURANIK
Company Secretary

Place : Mumbai
Date : 29th May 2024

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 29th May 2024

STATEMENT OF CHANGES IN EQUITY for the year ended 31st March 2024

A. Equity share capital

	As at 31st March 2024		As at 31st March 2023	
	Number of shares	INR in Lacs	Number of shares	INR in Lacs
Issued, subscribed and fully paid-up equity shares outstanding at the beginning of the year	14,666,659	1,466.67	14,666,659	1,466.67
Add: Split of shares *	131,999,931	-	-	-
Add: Shares issued during the year	-	-	-	-
Issued, subscribed and fully paid-up equity shares outstanding at the end of the year *	146,666,590	1,466.67	14,666,659	1,466.67

* The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity Shares of face value of INR 1 each with effect from 12th June 2023 (record date).

B. Other equity

	Reserves and Surplus				Treasury Shares (Refer note 17)	Total other equity
	Security premium INR in Lacs	Special reserve INR in Lacs	General reserve INR in Lacs	Retained earnings INR in Lacs	INR in Lacs	INR in Lacs
Balance as at 1st April 2022	8,276.09	16.00	2,644.66	62,085.05	(2,812.64)	70,209.16
Merger impact	-	-	-	(75.23)	-	(75.23)
Profit for the year (a)	-	-	-	18,513.60	-	18,513.60
Other Comprehensive Income (b)	-	-	-	(234.31)	-	(234.31)
Total comprehensive income for the year (a+b)	-	-	-	18,279.29	-	18,279.29
Dividend paid	-	-	-	(1,229.30)	-	(1,229.30)
Balance as at 31st March 2023	8,276.09	16.00	2,644.66	79,059.81	(2,812.64)	87,183.92
Balance as at 1st April 2023	8,276.09	16.00	2,644.66	79,059.81	(2,812.64)	87,183.92
Profit for the year (c)	-	-	-	20,409.54	-	20,409.54
Other Comprehensive Income (d)	-	-	-	(88.39)	-	(88.39)
Total comprehensive income for the year (c+d)	-	-	-	20,321.15	-	20,321.15
Dividend paid	-	-	-	(1,536.63)	-	(1,536.63)
Balance as at 31st March 2024	8,276.09	16.00	2,644.66	97,844.33	(2,812.64)	105,968.44

As per our report of even date attached

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

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

GLENN D'SOUZA
Partner
Membership no.: 112554

RAJESH SHARMA
Chairman & Managing Director
DIN - 00515486

M. P. PATNI
Director
DIN - 00515553

MILIND PURANIK
Company Secretary

Place : Mumbai
Date : 29th May 2024

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 29th May 2024

Cash flow statement for the year ended 31st March 2024

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
A. Cash flow from operating activities:		
Profit before tax	27,434.67	24,579.68
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	3,295.20	2,813.02
Loss on assets sold / discarded (Net)	(26.45)	30.38
Finance cost	673.24	895.54
Dividend Income	(78.91)	(60.31)
Interest Income	(4,022.63)	(3,334.95)
Provision for doubtful debts / Bad debts written off	245.94	353.19
Doubtful advances / Claim written off	66.95	104.22
Change in fair value of investments	(21.90)	(0.05)
Guarantee commission	(45.74)	(28.44)
Unrealised exchange loss / (gain)	63.02	(255.57)
Operating profit before working capital changes	27,583.39	25,096.71
Movements in working capital:		
(Increase) / Decrease in inventories	(309.43)	(3,860.88)
(Increase) / Decrease in trade receivables	(22,442.10)	(19,032.69)
(Increase) / Decrease in loans	606.44	983.63
(Increase) / Decrease in other assets	(3,263.24)	(4,285.26)
(Decrease) / Increase in trade payables	12,471.47	3,521.89
(Decrease) / Increase in other financial liabilities	450.62	553.59
(Decrease) / Increase in other current liabilities	3,946.54	9,655.71
(Decrease) / Increase in provisions	224.58	61.89
Cash generated from operations	19,268.27	12,694.59
Taxes paid	(6,820.88)	(7,226.32)
Net cash generated from operating activities (A)	12,447.39	5,468.27
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	(11,543.60)	(5,921.94)
Proceeds from sale of property, plant and equipment	39.61	32.57
Investments made in subsidiaries	(1,683.00)	(348.93)
(Increase) / Decrease in loans	(289.78)	424.04
Bank deposit made during the year (with maturity more than three months)	(30,449.53)	(9,614.45)
Bank deposit matured during the year (with maturity more than three months)	23,824.62	9,681.81
Dividend Received	78.91	60.31
Interest Received	3,925.80	3,481.67
Net cash used in investing activities (B)	(16,096.97)	(2,204.92)
C. Cash flow from financing activities:		
Repayment of borrowings	(3,398.62)	(1,970.45)
Proceeds from borrowings	4,950.68	1,933.60
Payment towards lease liability	(560.12)	(608.35)
Dividend paid	(1,536.63)	(1,229.30)
Finance cost	(631.45)	(823.29)
Net cash generated / (used) in financing activities (C)	(1,176.14)	(2,697.79)
Net Increase / (Decrease) in cash and cash equivalents (A)+(B)+(C)	(4,825.72)	565.56
Effect of exchange difference on cash and cash equivalent held in foreign currency	2.51	(73.29)
Cash and cash equivalents as at the beginning of the year	15,861.46	15,369.19
Cash and cash equivalents as at the end of the year	11,038.25	15,861.46

Cash Flow Statement for the year ended 31st March 2024 (Contd.)

Notes:

- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.
- Purchase of property, plant and equipment represents additions to property, plant and equipment, and other intangible assets adjusted for movement of capital-work-in-progress for property, plant and equipment.
- Cash and cash equivalents excludes the following balances with bank:

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Cash and cash equivalents disclosed under current assets [Note 14]	11,038.25	15,861.46
Other bank balances disclosed under current assets [Note 15]	42,459.04	35,834.63
Total cash and cash equivalents as per Balance Sheet	53,497.29	51,696.09
Less: Other bank balances disclosed under current assets		
On unclaimed dividend account	69.51	69.85
On unclaimed interest on fixed deposits	-	0.16
On deposit account	21,048.63	15,937.52
On margin money account	21,340.90	19,827.10
	42,459.04	35,834.63
Total cash and cash equivalents as per Statement of Cash Flows	11,038.25	15,861.46

4. Changes in liabilities arising from financing activities

	As at 1st Apr 2023 INR in Lacs	2023-24 Net Cash inflow / (outflow) INR in Lacs	Others * INR in Lacs	As at 31st Mar 2024 INR in Lacs
Borrowings (Non-current and current)	4,277.15	1,552.06	(1,106.35)	4,722.86
	4,277.15	1,552.06	(1,106.35)	4,722.86
	As at 1st Apr 2022 INR in Lacs	2022-23 Net Cash inflow / (outflow) INR in Lacs	Others * INR in Lacs	As at 31st Mar 2023 INR in Lacs
Borrowings (Non-current and current)	4,918.41	(36.85)	(604.42)	4,277.14
	4,918.41	(36.85)	(604.42)	4,277.14

* Lease finance availed during the year forming part of lease liabilities

As per our report of even date attached

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

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

GLENN D'SOUZA
Partner
Membership no.: 112554

RAJESH SHARMA
Chairman & Managing Director
DIN - 00515486

M. P. PATNI
Director
DIN - 00515553

MILIND PURANIK
Company Secretary

Place : Mumbai
Date : 29th May 2024

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 29th May 2024

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024

Company Overview

Ion Exchange (India) Limited (the 'company') offers a wide range of solutions across the water cycle from pre-treatment to process water treatment, waste water treatment, recycle, zero liquid discharge, sewage treatment, packaged drinking water, sea water desalination etc. The company is also engaged in manufacturing resins, speciality chemicals for water and waste water treatment as well as non-water applications. The company's water and environment management solutions extend beyond the industrial sector to homes, hotels, spas, educational institutions, hospitals, laboratories, realty sector, defense establishments and rural communities, providing safe drinking water and a clean environment.

The company is a public limited company incorporated under the Companies Act, 1956 and domiciled in India. It is listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

1. Material accounting policies

1.1 Statement of compliance

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time as notified under Section 133 of Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act"), and the guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The financial statements are approved for issue by the Board of Directors of the company at their meeting held on 29th May 2024.

1.2 Basis of preparation

The standalone financial statements have been prepared on the going concern basis and at historical cost, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The standalone financial statements includes financials statements of IEI Shareholding (Staff Welfare) Trusts (60 trusts) and HML Shareholding (Staff Welfare) Trusts (17 trusts).

1.3 Current and non-current classification

The operating cycle in case of projects division comprising of turnkey projects which forms a part of engineering segment is determined for each project separately based on the expected execution period of the contract. In case of the other divisions the company has ascertained its operating cycle as twelve months.

The company presents assets and liabilities in the balance sheet based on current / non-current classification. It has been classified as current or non-current as per the company's normal operating cycle.

1.4 Functional and presentation currency

The standalone financial statements are presented in Indian rupees, which is also the company's functional currency. All amounts have been rounded off to two decimal places to the nearest lacs, unless otherwise indicated.

1.5 Basis of measurement

The standalone financial statements have been prepared on a historical cost convention, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (asset)/ liability that are measured at fair value of plan assets less present value of defined benefit obligations.

1.6 Use of estimates and judgements

The preparation of the standalone financial statements in accordance with Ind AS requires use of judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31st March 2024 are as follows:

a) Evaluation of percentage completion

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are technical in nature, concerning, where relevant, the percentage of completion, costs to completion, expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such changes are determined.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**1. Material accounting policies (contd...)****1.6 Use of estimates and judgements (contd...)****b) Useful life of property, plant and equipment**

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalised. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

c) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

d) The company determines the lease term as non - cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised**e) Expected credit loss (ECL) – Refer note no. 1.14 on Impairment of financial assets****1.7 Measurement of fair values**

The company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.8 Property, plant and equipment and depreciation

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/ construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation is provided on straight line basis based on life assigned to each asset in accordance with Schedule II of the Act or as per life estimated by the Management based on technical evaluation, whichever is lower, as stated below.

Assets	Useful lives
Road	10 years
Building - Other than factory buildings	30 – 60 years
- Factory buildings	20 – 30 years
Plant and machinery	10 – 15 years
Site equipments	3 years
Furniture and fixtures	10 years
Vehicles	4 – 8 years
Office equipments	3 – 5 years

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

1. Material accounting policies (contd...)

1.8 Property, plant and equipment and depreciation (contd...)

Freehold land is not depreciated.

In case of certain class of assets, the company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from those class of assets. The company uses its technical expertise along with historical and industry trends for arriving the economic life of an asset.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the statement of profit and loss.

1.9 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortisation and impairment.

Intangible assets are amortised on a straight-line basis over the estimated useful economic life. The amortisation period and the amortisation method are reviewed at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Computer software is amortised on a straight-line basis over the period of 5 years.

Technology acquired is amortised over period of license.

An intangible asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the statement of profit and loss.

1.10 Impairment

Impairment loss, if any, is provided to the extent the carrying amount of assets or a group of assets (cash generating units) exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset / or a group of assets (cash generating units) and from its disposal at end of its useful life. In assessing value in use, the present value is discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

The company reviews its carrying value of investments carried at cost and amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

1.11 Foreign currency transactions

Transactions in foreign currencies are recognised at exchange rates prevailing on the transaction dates. Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. Foreign currency monetary items are reported at the year-end rates. Exchange differences arising on reinstatement of foreign currency monetary items are recognised as income or expense in the statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

1.12 Inventories

Inventories are valued at lower of cost and net realizable value.

Cost of raw materials, components, stores and spares are computed on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of work-in-progress includes cost of raw material and components, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is computed on weighted average basis.

Contract cost that has been incurred and relates to the future activity of the contract are recognised as contract work-in-progress as it is probable that it will be recovered from the customer.

Cost of finished goods includes cost of raw material and components, cost of conversion, other costs including manufacturing overheads incurred in bringing the inventories to their present location/ condition. Cost is computed on weighted average basis.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**1. Material accounting policies (contd...)****1.12 Inventories (contd...)**

Costs of traded goods are computed on first-in-first-out basis. Cost includes cost of purchases and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

1.13 Research and development

Capital expenditure on research and development is treated in the same manner as property, plant and equipment. Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured.

1.14 Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

A. Financial assets**(i) Initial recognition and measurement**

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset.

The financial assets include debt instruments, equity investments, trade and other receivables, loans, cash and bank balances and derivative financial instruments.

(ii) Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

a) At amortised cost,

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) At fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) At fair value through profit or loss (FVTPL).

A financial asset which is not classified in any of the above categories is measured at FVTPL.

(iii) Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in subsidiaries, associates and joint venture carried at deemed cost. Deemed cost is the carrying amount under the previous GAAP as at the transition date i.e. 1st April 2016.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognised in profit or loss. The company may make an irrevocable election to present in OCI subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

However, the company may transfer the cumulative gain or loss within equity.

(iv) Impairment of financial assets

The Company assesses impairment based on Expected Credit Losses (ECL) model for the following:

Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

1. Material accounting policies (contd...)

1.14 Financial instruments (contd...)

(iv) Impairment of financial assets (contd...)

Other financial assets such as deposits, advances etc., the company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition.

As a practical expedient, the company uses the provision matrix to determine impairment loss allowance on the trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and its adjusted forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) during the period is recognised as other expense in the statement of profit and loss.

(v) De-recognition of financial assets

The company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the assets.

B. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value measured on initial recognition of financial liabilities.

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, derivative financial instruments, etc.

(ii) Classification and subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified in two categories:

- a) Financial liabilities excluding derivative financial instruments at amortised cost, and
- b) Derivative financial instruments at fair value through profit or loss (FVTPL).

- Financial liabilities excluding derivative financial instruments at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- Derivative financial instruments

The company uses derivative financial instruments, such as forward currency contracts. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting period. Any changes therein are generally recognised in the profit and loss account.

(iii) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the statement of profit and loss.

1.15 Financial guarantees

Where guarantees in relation to loans of group companies are provided for no compensation, the fair value are accounted for as contribution and recognised as part of cost of investment.'

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**1. Material accounting policies (contd...)****1.16 Retirement and other employee benefits**

- (i) Retirement benefit in the form of provident fund managed by Government Authorities and Superannuation Fund are defined contribution scheme and the contribution is charged to the statement of profit and loss for the year when the contribution to the respective fund is due. There is no other obligation other than the contribution payable.
- (ii) Provident Fund scheme managed by trust set up by the company is a defined benefit plan. Employee benefits, in form of contribution to provident fund managed by such trust, are charged to the statement of profit and loss as and when the related services are rendered. The deficit, if any, in the accumulated corpus of the trust is recognised in the statement of profit and loss based on actuarial valuation.
- (iii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit method made at the end of each financial year. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI).
- (iv) Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.
- (v) Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit method made at the end of each financial year. The company presents the leave liability as non-current in the balance sheet, to the extent it has an unconditional right to defer its settlement for a period beyond 12 months, balance amount is presented as current.

1.17 Revenue recognition

Revenue from sale of goods is recognised at the point in time when control of the assets is transferred to the customer, generally on delivery of the goods.

Revenue is recognised upon transfer of control of promised products or services to customers for an amount that reflects the consideration which the company expects to receive in exchange for those products or services.

Revenue related to fixed price maintenance and support services contracts where the company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

Revenue is recognized over time as the services are provided. The stage of completion for determining the amount of revenue to recognize is assessed based on survey of the work performed.

In respect of fixed-price construction contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts and incentives, if any, as specified in the contract with the customer.

Revenue also excludes taxes collected from customers.

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers into categories that depict the nature of services and geography.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

1. Material accounting policies (contd...)

1.17 Revenue recognition (contd...)

Use of significant judgments in revenue recognition

- The company's contracts with customers could include promises to transfer multiple products and services to a customer. The company assesses the products / services promised in a contract and identify distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The company uses judgment to determine an appropriate standalone selling price for a performance obligation. The company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price construction contract is recognised using percentage-of-completion method. The company uses judgment to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

Dividend income is recorded when the right to receive payment is established.

Interest income is recognised using the effective interest method. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

1.18 Taxation

- Provision for current taxation has been made in accordance with the Indian Income tax laws prevailing for the relevant assessment years.
- Deferred tax is recognised, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Un-recognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**1. Material accounting policies (contd...)****1.19 Provisions and contingent liabilities**

A provision is recognised if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

1.20 Earnings per share

Basic earnings per equity share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity shares of face value of INR 1 each with effect from 12th June 2023 (record date). The basic and diluted earnings per share for the previous year has been restated to give effect of the share split as per Ind AS 33.

For calculating the weighted average number of equity shares outstanding, 23,689,390 (2022-23: 23,689,390) equity shares and 46,750 (2022-23: 46,750) equity shares are being excluded on consolidation of equity shares held by IEI Shareholding (Staff Welfare) Trusts and HMIL Shareholding (Staff Welfare) Trusts respectively.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.21 Segment reporting policiesIdentification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman and Managing Director who makes strategic decisions.

Inter-segment Transfers

The company accounts for inter-segment sales and transfers at cost plus appropriate margin.

Allocation of common costs

Common allocable costs are allocated to each segment according to the turnover of the respective segments.

Unallocated costs

The unallocated segment includes general corporate income and expense items which are not allocated to any business segment.

Segment policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

1.22 Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

1.23 LeasesWhere the company is the lessor

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets given on operating lease by the company are included in property, plant and equipment. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

1. Material accounting policies (contd...)

1.23 Leases (contd...)

Where the company is the lessee

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is accounted at the lease commencement date.

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred.

The lease liability is initially measured at the present value of the lease payments, discounted using the company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated amortisation and cumulative impairment, if any. The right-of-use asset is amortised, using the straight-line method over the period of lease, from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- (i) Low value leases; and
- (ii) Leases which are short-term.

1.24 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset till such time that it is required to complete and prepare the assets to get ready for its intended use. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.25 Dividend payable

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the company's board of directors. A corresponding amount is recognised directly in equity.

The company pays / distributes dividend after deducting applicable taxes.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

2. Property, plant and equipment

	INR in Lacs								
	Land (Freehold) (Refer note a)	Road	Building on freehold land (Refer note b, c, d and e)	Building on leasehold land	Plant and machinery	Furniture and fixtures	Vehicles	Office equipments	Total
Gross block									
As at 1st April 2023	367.79	207.40	4,427.44	3,780.04	15,238.57	856.96	417.39	1,880.80	27,176.39
Addition during the year	-	176.61	185.51	1,156.63	4,199.63	284.06	144.61	987.98	7,135.03
Disposal during the year	-	-	27.75	2.09	59.36	5.86	-	73.89	168.95
As at 31st March 2024	367.79	384.01	4,585.20	4,934.58	19,378.84	1,135.16	562.00	2,794.89	34,142.47
Depreciation / Amortisation									
As at 1st April 2023	-	78.80	644.97	891.52	6,782.65	404.59	284.42	1,289.02	10,375.97
Depreciation during the year	-	23.93	146.18	182.76	1,454.48	90.50	55.96	475.23	2,429.04
Deduction during the year	-	-	26.55	2.09	49.25	5.86	-	72.04	155.79
As at 31st March 2024	-	102.73	764.60	1,072.19	8,187.88	489.23	340.38	1,692.21	12,649.22
Net carrying value as at 31st March 2024	367.79	281.28	3,820.60	3,862.39	11,190.96	645.93	221.62	1,102.68	21,493.25
Gross block									
As at 1st April 2022	342.63	111.60	4,069.95	3,666.51	11,953.34	740.32	343.32	1,383.70	22,611.37
Addition during the year	25.16	95.80	357.49	113.53	3,385.50	117.46	83.51	502.80	4,681.25
Disposal during the year	-	-	-	-	100.27	0.82	9.44	5.70	116.23
As at 31st March 2023	367.79	207.40	4,427.44	3,780.04	15,238.57	856.96	417.39	1,880.80	27,176.39
Depreciation / Amortisation									
As at 1st April 2022	-	60.61	508.55	729.64	5,623.38	331.46	253.25	916.01	8,422.90
Depreciation during the year	-	18.19	136.42	161.88	1,198.26	73.61	40.61	377.38	2,006.35
Deduction during the year	-	-	-	-	38.99	0.48	9.44	4.37	53.28
As at 31st March 2023	-	78.80	644.97	891.52	6,782.65	404.59	284.42	1,289.02	10,375.97
Net carrying value as at 31st March 2023	367.79	128.60	3,782.47	2,888.52	8,455.92	452.37	132.97	591.78	16,800.42

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

2. Property, plant and equipment (contd...)

Notes

- a) Freehold land includes land at Pune and Tamil Nadu, the title deeds of which are in the name of the nominees of the company.
Deemed gross book value INR 27.44 Lacs (31st March 2023: INR 27.44 Lacs)
- b) Buildings on freehold land includes residential flats, the cost of which includes:
 - INR 250 (31st March 2023: INR 250) being the value of 5 Shares (unquoted) of INR 50 each, fully paid up in Sunrise Co-operative Housing Society Limited.
 - INR 3,500 (31st March 2023: INR 3,500) being the value of 70 Shares (unquoted) of INR 50 each, fully paid up in Usha Milan Co-operative Society Limited.
- c) Buildings on freehold land includes residential flats acquired at Mumbai, the society formation of which is in progress.
Deemed gross book value INR 41.15 Lacs (31st March 2023: INR 41.15 Lacs)
Net book value INR 32.85 Lacs (31st March 2023: INR 33.88 Lacs)
- d) Buildings on freehold land includes residential flats comprising of 2 LIG flats (Nos. B-16 and B-17) and 1 MIG flat (No. B-14) at Hosur, the title deeds of which are awaited from authorities.
Deemed gross book value INR Nil (31st March 2023: INR Nil)
Net book value INR Nil (31st March 2023: INR Nil)
- e) Buildings on freehold land includes office premises given on operating lease :
Deemed gross book value INR 126.31 Lacs (31st March 2023: INR 125.41 Lacs)
Accumulated depreciation INR 37.76 Lacs (31st March 2023: INR 32.87 Lacs)
Depreciation for the year INR 4.89 Lacs (2022-23: INR 4.76 Lacs)
Net book value INR 88.54 Lacs (31st March 2023: INR 92.54 Lacs)
- f) Addition to Property, plant and equipment includes amount of INR 108.01 Lacs (2022-23: INR 157.09 Lacs) pertaining to research and development.
- g) Certain property, plant and equipment are given as security for borrowings, the details relating to which have been described in note 18 and note 21

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

3. Right-of-use assets

INR in Lacs

	Land	Building	Plant and machinery (Refer note a)	Vehicles	Office equipments (Refer note a)	Total
Gross block						
As at 1st April 2023	1,523.80	954.49	3,157.76	9.18	250.73	5,895.96
Addition during the year	311.27	677.78	-	-	-	989.05
Disposal during the year	-	341.29	4.20	-	42.00	387.49
As at 31st March 2024	1,835.07	1,290.98	3,153.56	9.18	208.73	6,497.52
Depreciation / Amortisation						
As at 1st April 2023	63.47	398.12	1,802.97	2.78	223.32	2,490.66
Depreciation during the year	66.39	310.85	410.35	1.15	3.81	792.55
Deduction during the year	-	310.40	4.20	-	42.00	356.60
As at 31st March 2024	129.86	398.57	2,209.12	3.93	185.13	2,926.61
Net carrying value as at 31st March 2024	1,705.21	892.41	944.44	5.25	23.60	3,570.91
Gross block						
As at 1st April 2022	1,481.46	578.42	3,157.76	9.18	291.73	5,518.55
Addition during the year	42.34	468.27	-	-	-	510.61
Disposal during the year	-	92.20	-	-	41.00	133.20
As at 31st March 2023	1,523.80	954.49	3,157.76	9.18	250.73	5,895.96
Depreciation / Amortisation						
As at 1st April 2022	30.39	271.73	1,330.48	1.63	243.60	1,877.83
Depreciation during the year	33.08	214.65	472.49	1.15	20.72	742.09
Deduction during the year	-	88.26	-	-	41.00	129.26
As at 31st March 2023	63.47	398.12	1,802.97	2.78	223.32	2,490.66
Net carrying value as at 31st March 2023	1,460.33	556.37	1,354.79	6.40	27.41	3,405.30

Notes

- a) Finance lease obligations are secured by hypothecation of under lying plant and machinery and equipment's taken on lease. Lease obligations are discharged by monthly / quarterly lease rental payments. The lease terms are for 2 to 4 years.
- b) All the leases are registered in the name of the company

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

4. Capital work-in-progress

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
As at 1st April	4,194.65	2,003.57
Addition during the year	8,091.33	5,687.79
Capitalisation / deductions during the year	6,213.47	3,496.71
As at 31st March	6,072.51	4,194.65

Capital work in progress ageing schedule

As at 31st March 2024

	Amount in capital work in progress for a period of				Total
	Less than 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	INR in Lacs
Projects in progress	5,724.33	304.21	43.97	-	6,072.51
Projects temporarily suspended	-	-	-	-	-
	5,724.33	304.21	43.97	-	6,072.51

As at 31st March 2023

	Amount in capital work in progress for a period of				Total
	Less than 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	INR in Lacs
Projects in progress	2,912.89	1,118.28	150.33	13.15	4,194.65
Projects temporarily suspended	-	-	-	-	-
	2,912.89	1,118.28	150.33	13.15	4,194.65

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

5. Intangible assets

	INR in Lacs		
	Computer Software	Technology	Total
Gross block			
As at 1st April 2023	555.41	-	555.41
Addition during the year	281.35	864.02	1,145.37
Disposal during the year	-	-	-
As at 31st March 2024	836.76	864.02	1,700.78
Depreciation / Amortisation			
As at 1st April 2023	377.62	-	377.62
Depreciation during the year	73.61	-	73.61
Deduction during the year	-	-	-
As at 31st March 2024	451.23	-	451.23
Net carrying value as at 31st March 2024	385.53	864.02	1,249.55
Gross block			
As at 1st April 2022	505.16	-	505.16
Addition during the year	50.25	-	50.25
Disposal during the year	-	-	-
As at 31st March 2023	555.41	-	555.41
Depreciation / Amortisation			
As at 1st April 2022	313.04	-	313.04
Depreciation during the year	64.58	-	64.58
Deduction during the year	-	-	-
As at 31st March 2023	377.62	-	377.62
Net carrying value as at 31st March 2023	177.79	-	177.79

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

6. Non-current investments

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Measured at cost in equity shares of subsidiaries		
Unquoted, fully paid-up		
1,760,000 (31st March 2023: 1,760,000) equity shares of INR 10/- each, fully paid-up in Aqua Investments (India) Limited	176.00	176.00
1,770,000 (31st March 2023: 1,770,000) equity shares of INR 10/- each, fully paid-up in Watercare Investments (India) Limited	177.00	177.00
547,000 (31st March 2023: 547,000) equity shares of INR 10 each, fully paid-up in Ion Exchange Enviro Farms Limited	54.70	54.70
2,603,211 (31st March 2023: 2,603,211) equity shares of SGD 1 each, fully paid-up in Ion Exchange Asia Pacific Pte. Ltd.	1,139.40	1,131.12
Nil (31st March 2023: 250,000) equity shares of MYR 1 each, fully paid-up in IEI Environmental Management (M) Sdn. Bhd.	-	18.10
Less: Aggregate amount of provision for impairment in the value of investments	-	(18.10)
	-	-
700,000 (31st March 2023: 700,000) equity shares of USD 1 each, fully paid-up in Ion Exchange LLC	372.01	372.01
153,000 (31st March 2023: 153,000) equity shares of OMR 1 each, fully paid-up in Ion Exchange And Company LLC	180.85	180.85
55,862 (31st March 2023: 55,862) equity shares of BDT 100 each, fully paid-up in Ion Exchange Environment Management (BD) Limited	51.94	46.89
27,469 (31st March 2023: 27,469) equity shares of BDT 100 each, fully paid-up in Ion Exchange WTS (Bangladesh) Limited	2.45	2.45
Less: Aggregate amount of provision for impairment in the value of investments	(2.45)	-
	-	2.45
15,151,594 (31st March 2023: 15,151,594) equity shares of INR 10 each, fully paid-up in Ion Exchange Projects And Engineering Limited	1,550.12	1,550.12
1,800 (31st March 2023: 1,200) equity shares of ZAR 1 each, fully paid-up in Ion Exchange Safic Pty Ltd.	354.12	198.48
1,200 (31st March 2023: 1,200) equity shares of SAR 1,000 each, fully paid-up in Ion Exchange Arabia for Water	262.93	262.93
65,618 (31st March 2023: 65,618) equity shares of INR 10 each, fully paid-up in Total Water Management Services (India) Limited	18.00	18.00
10,000 (31st March 2023: 10,000) equity shares of INR 10 each, fully paid-up in Ion Exchange Purified Drinking Water Private Limited	39.01	39.01
4,999 (31st March 2023: 4,999) equity shares of Euro 1 each, fully paid-up in Ion Exchange Europe, LDA	4.16	4.16
1,111,500 (31st March 2023: Nil) equity shares of Euro 1 each, fully paid-up in Mapril - Produtos Químicos e Máquinas Para A Industria, LDA	2,313.94	-
(A)	6,694.18	4,213.72
Measured at cost in equity shares of associates		
Unquoted, fully paid-up		
460,000 (31st March 2023: 460,000) equity shares of INR 10 each, fully paid-up in Aquanomics Systems Limited	134.00	123.00
(B)	134.00	123.00

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

6. Non-current investments (contd...)

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Measured at fair value through profit and loss in equity shares of others		
Unquoted, fully paid-up		
6,000 (31st March 2023: 6,000) equity shares of INR 10 each, fully paid-up in IEK Plastics Limited	-	-
113 (31st March 2023: 113) equity shares of INR 10 each, fully paid-up in Patancheru Enviro-tech Limited	0.01	0.01
10,500 (31st March 2023: 10,500) equity shares of INR 10 each, fully paid-up in Bharuch Enviro Infrastructure Limited	1.05	1.05
352,500 (31st March 2023: 352,500) equity shares of INR 10 each, fully paid-up in Bharuch Eco-Aqua Infrastructure Limited	35.25	35.25
121,518 (31st March 2023: 71,518) equity shares of INR 10 each, fully paid-up in GPCL Consulting Services Limited	49.95	27.46
1,000 (31st March 2023: 1,000) equity shares of INR 10 each, fully paid-up in Ion Foundation	0.10	0.10
7,143 (31st March 2023: 7,143) equity shares of INR 10 each, fully paid-up in Water Quality India Association	0.71	0.71
22,000 (31st March 2023: 22,000) equity shares of INR 10 each, fully paid-up in Haldia Water Services Pvt. Ltd. [Refer note below]	2.20	2.20
100 (31st March 2023: 100) equity shares of INR 25 each, fully paid-up in The Zoroastrian Co-operative Bank Ltd.	0.03	0.03
9,999 (31st March 2023: 9,999) equity shares of INR 50 each, fully paid-up in Thane Janata Sahakri Co-operative Bank Ltd.	5.00	5.00
750 (31st March 2023: 750) equity shares of INR 10 each, fully paid-up in Process Automation Engineering Limited	0.00	0.00
(C)	94.30	71.81
Measured at amortised cost in preference shares of others		
Unquoted, fully paid-up		
75,000 (31st March 2023: 75,000) 14.25% preference shares of INR 100 each, fully paid-up in HMG Industries Limited	0.50	0.50
(D)	0.50	0.50
Measured at amortised cost in debenture of subsidiaries		
1,500,000 (31st March 2023: 1,500,000) 7% secured redeemable non-convertible debenture of INR 100 each, fully paid-up in Ion Exchange Enviro Farms Limited	1,500.00	1,500.00
(E)	1,500.00	1,500.00
Total non current investments (A+B+C+D+E)	8,422.98	5,909.03
Aggregate amount of quoted Investments	-	-
Aggregate amount of unquoted Investments	8,422.98	5,909.03
Aggregate amount of impairment in value of investments	2.45	18.10
Note : 11,000 equity shares are pledged to the NBFC		

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

7. Trade receivables

	Non-current		Current	
	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Trade receivables				
(a) Unsecured, considered good	87.29	121.53	94,967.11	72,552.45
(b) Unsecured, have significant increase in credit risk	-	-	-	-
(c) Unsecured, credit impaired	59.62	59.62	-	-
	146.91	181.15	94,967.11	72,552.45
Less: Loss allowances	59.62	59.62	2,794.51	2,816.28
	87.29	121.53	92,172.60	69,736.17

Trade receivables ageing schedule

As at 31 March 2024

	Not Due INR in Lacs	Outstanding for following periods from due date of payment					Total INR in Lacs
		Less than 6 Months INR in Lacs	6 months - 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	
Undisputed trade receivables - considered good	62,299.26	20,751.31	2,470.76	5,631.10	1,095.86	2,718.82	94,967.11
Undisputed trade receivables - have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	0.26	-	0.25	-	86.78	87.29
Disputed trade receivables - credit impaired	-	-	-	-	-	59.62	59.62
	62,299.26	20,751.57	2,470.76	5,631.35	1,095.86	2,865.22	95,114.02
Less: Loss allowances							2,854.13
Total							92,259.89

As at 31 March 2023

	Not Due INR in Lacs	Outstanding for following periods from due date of payment					Total INR in Lacs
		Less than 6 Months INR in Lacs	6 months - 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	
Undisputed trade receivables - considered good	44,630.35	18,521.38	5,331.87	1,022.01	893.31	2,153.53	72,552.45
Undisputed trade receivables - have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	0.25	0.03	-	121.25	121.53
Disputed trade receivables - credit impaired	-	-	-	-	-	59.62	59.62
	44,630.35	18,521.38	5,332.12	1,022.04	893.31	2,334.40	72,733.60
Less: Loss allowances							2,875.90
Total							69,857.70

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

8. Loans

		Non-current		Current	
		As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Loans and advances to related parties (Refer note 42)					
(a) Unsecured, considered good		2,200.00	2,200.00	3,740.38	3,418.90
(b) Unsecured, credit impaired		9.00	9.00	-	-
		2,209.00	2,209.00	3,740.38	3,418.90
Less: Loss allowances		9.00	9.00	-	-
(A)		2,200.00	2,200.00	3,740.38	3,418.90
Claims receivables	(B)	-	-	324.99	973.88
Loans and advance to employees	(C)	-	-	15.96	40.46
Rent receivable (Unsecured, credit impaired)		17.05	17.05	-	-
Less: Loss allowances		17.05	17.05	-	-
(D)		-	-	-	-
Others - Unsecured, credit impaired					
- Inter corporate deposits		57.07	57.07	-	-
- Other loans and advances		55.07	55.07	-	-
		112.14	112.14	-	-
Less: Loss allowances		112.14	112.14	-	-
(E)		-	-	-	-
(A+B+C+D+E)		2,200.00	2,200.00	4,081.33	4,433.24

9. Other financial assets

		Non-current		Current	
		As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Tender, security and other deposits					
(a) Unsecured, considered good		872.58	763.67	50.70	48.71
(b) Unsecured, credit impaired		24.24	24.24	-	-
		896.82	787.91	50.70	48.71
Less: Loss allowances		24.24	24.24	-	-
(A)		872.58	763.67	50.70	48.71
Interest accrued on deposits and margin money	(B)	-	-	1,370.59	1,273.76
(A+B)		872.58	763.67	1,421.29	1,322.47

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

10. Deferred tax assets (Net)

As at 31st March 2024

INR in Lacs

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance	Deferred tax asset	Deferred tax liabilities
Deferred tax assets/ (liabilities)						
Property, plant and equipment	(540.80)	(500.86)	-	(1,041.66)	-	(1,041.66)
Trade receivables	723.86	(5.48)	-	718.38	718.38	-
Loans and borrowings	119.47	(23.02)	-	96.45	96.45	-
Retention money	61.06	(61.06)	-	-	-	-
Other items	677.23	302.42	29.73	1,009.38	1,009.38	-
Tax assets/(liabilities)	1,040.82	(288.00)	29.73	782.55	1,824.21	(1,041.66)

As at 31st March 2023

INR in Lacs

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance	Deferred tax assets	Deferred tax liabilities
Deferred tax assets/ (liabilities)						
Property, plant and equipment	(777.39)	236.59	-	(540.80)	-	(540.80)
Trade receivables	723.86	-	-	723.86	723.86	-
Loans and borrowings	122.84	(3.37)	-	119.47	119.47	-
Retention money	63.28	(2.22)	-	61.06	61.06	-
Other items	691.21	(93.14)	79.16	677.23	677.23	-
Tax assets/(liabilities)	823.80	137.86	79.16	1,040.82	1,581.62	(540.80)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

11. Other assets

		Non-current		Current	
		As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Capital advances	(A)	2,193.78	143.72	-	-
Balance with statutory authorities	(B)	216.18	304.71	5,843.84	5,792.10
Advance to suppliers		-	-	3,210.37	1,699.50
Unsecured, considered good - Others		14.20	14.20	-	-
Unsecured, credit impaired		14.20	14.20	3,210.37	1,699.50
Less: Provision for credit impaired		14.20	14.20	-	-
	(C)	-	-	3,210.37	1,699.50
Prepaid expenses	(D)	-	-	1,152.30	1,060.84
Unbilled Revenue	(E)	-	-	5,619.25	4,032.45
	(A+B+C+D+E)	2,409.96	448.43	15,825.76	12,584.89

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**12. Inventories**

(valued at lower of cost and net realisable value)

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Raw materials and components (includes in transit INR 633.10 Lacs, 31st March 2023: INR 375.10 Lacs)	8,950.08	9,246.02
Work-in-progress	2,414.67	2,329.62
Finished goods (includes in transit INR 57.19 Lacs, 31st March 2023: INR 112.14 Lacs)	3,972.15	3,532.34
Traded goods	1,844.32	1,641.41
Stores and spares	1,603.49	1,214.15
Contract work-in-progress	80.15	591.89
	18,864.86	18,555.43

13. Investments

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Investments measured at fair value through profit and loss		
Quoted, fully paid-up		
5,875 (31st March 2023: 5,875) equity shares of INR 2 each, fully paid-up in Sterlite Technologies Limited	6.51	8.65
70 (31st March 2023: 70) equity shares of INR 2 each, fully paid-up in Jain Irrigation Systems Limited of INR 2 each	0.03	0.02
8,100 (31st March 2023: 8,100) equity shares of INR 10 each, fully paid-up in Canara Bank	47.07	23.04
	53.61	31.71
Aggregate amount of quoted investments	53.61	31.71
Aggregate amount of unquoted investments	-	-

14. Cash and cash equivalents

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Balances with banks		
On current accounts [Refer note below]	5,857.39	4,027.60
On Exchange Earner's Foreign Currency accounts	13.92	13.73
On deposit account with original maturing less than 3 months	5,089.20	11,600.00
Cash on hand	77.74	220.13
	11,038.25	15,861.46

Note

Includes balance of INR 138.03 Lacs (31st March 2023: INR 140.31 Lacs) in escrow accounts for utilisation in the execution of a specific EPC contract.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

15. Bank balances other than cash and cash equivalents

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Balances with banks		
On Unclaimed dividend account	69.51	69.85
On Unclaimed interest on fixed deposits	-	0.16
Other bank balances:		
On deposit account	21,048.63	15,937.52
On margin money account [Refer note below]	21,340.90	19,827.10
	42,459.04	35,834.63

Note

Margin money deposits with a carrying amount of INR 21,340.90 Lacs (31st March 2023: INR 19,827.10 Lacs) are subject to first charge to secure bank guarantees issued by banks on our behalf.

16. Equity share capital

	As at 31st March 2024		As at 31st March 2023	
	No of shares	INR in Lacs	No of shares	INR in Lacs
Authorised capital				
320,000,000 equity shares of INR 1 each (31st March 2023: 17,000,000 equity shares of INR 10 each) *	320,000,000	3,200.00	17,000,000	1,700.00
Issued, subscribed and fully paid-up capital				
146,666,590 equity shares of INR 1 each (31st March 2023: 14,666,659 equity shares of INR 10 each) *	146,666,590	1,466.67	14,666,659	1,466.67
	146,666,590	1,466.67	14,666,659	1,466.67

* The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity Shares of face value of INR 1 each with effect from 12th June 2023 (record date).

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31st March 2024		As at 31st March 2023	
	No of shares Face value INR 1	INR in Lacs	No of shares Face value INR 10	INR in Lacs
At the beginning of the year	14,666,659	1,466.67	14,666,659	1,466.67
Add: Split of shares	131,999,931	-	-	-
Add: Issued during the year	-	-	-	-
At the end of the year	146,666,590	1,466.67	14,666,659	1,466.67

(b) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of INR 1 per share (Previous year par value of INR 10 per share). Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company **

	As at 31st March 2024		As at 31st March 2023	
	No of shares Face value INR 1	% holding	No of shares Face value INR 10	% holding
Mr. Rajesh Sharma	8,249,680	5.62%	824,968	5.62%
Mr. M. P. Patni	7,203,474	4.91%	755,497	5.15%

** As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**16. Equity share capital (contd...)**

- (d) **Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date.**

Nil shares (Previous period of five years ended 31st March 2023: Nil shares)

- (e) **Shares reserved for issued under ESOS**

There are no pending shares reserved for issue under Employee Stock Option Schemes (ESOS).

- (f) **Details of shares held by promoters**

As on 31st March 2024

Promoter name	No. of equity shares Face value INR 1	% of total equity shares	% change during the year
Rajesh Sharma	8,249,680	5.62%	0.00%
Mahabir Prasad Patni	7,203,474	4.91%	-0.24%
Dinesh Sharma	6,322,710	4.31%	0.00%
Bimal Jain	3,936,662	2.68%	-0.16%
Aankur Patni	2,952,930	2.01%	0.00%
Uma Gopal Ranganathan	1,720,370	1.17%	-0.05%
Aruna Sharma	1,078,950	0.74%	0.00%
Poonam Sharma	496,500	0.34%	0.00%
Pallavi Sharma	20,000	0.01%	0.00%
Nidhi Patni	10,000	0.01%	0.00%
Nirmala Patni	-	0.00%	-0.06%
Anita Jain	-	0.00%	-0.04%
Vishnu Gopal Ranganathan	1,820,370	1.24%	-0.02%
Ion Exchange Financial Products Pvt. Ltd.	504,220	0.34%	0.00%
Aqua Investments (India) Ltd.	2,538,030	1.73%	0.00%
Watercare Investments (India) Ltd.	1,840,710	1.26%	0.00%
	38,694,606	26.38%	-0.57%

As on 31st March 2023

Promoter name	No. of equity shares Face value INR 10	% of total equity shares	% change during the year
Rajesh Sharma	824,968	5.62%	0.00%
Mahabir Prasad Patni	755,497	5.15%	0.00%
Dinesh Sharma	632,271	4.31%	0.00%
Bimal Jain	417,223	2.84%	0.00%
Aankur Patni	295,293	2.01%	0.00%
Uma Gopal Ranganathan	179,037	1.22%	-1.32%
Aruna Sharma	107,895	0.74%	0.00%
Poonam Sharma	49,650	0.34%	0.00%
Pallavi Sharma	2,000	0.01%	0.00%
Nidhi Patni	1,000	0.01%	0.00%
Nirmala Patni	8,300	0.06%	0.00%
Anita Jain	5,546	0.04%	0.00%
Vishnu Gopal Ranganathan	185,537	1.27%	1.27%
Ion Exchange Financial Products Pvt. Ltd.	50,422	0.34%	0.00%
Aqua Investments (India) Ltd.	253,803	1.73%	0.00%
Watercare Investments (India) Ltd.	184,071	1.26%	0.00%
	3,952,513	26.95%	-0.05%

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

17. Other equity

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Security premium account		
Balance as at 1st April	8,276.09	8,276.09
(A)	8,276.09	8,276.09
Special reserve		
Balance as at 1st April	16.00	16.00
(As per section 45 - IC of the Reserve Bank of India Act, 1934)		
(B)	16.00	16.00
General reserve		
Balance as at 1st April	2,644.66	2,644.66
(C)	2,644.66	2,644.66
Retained earnings		
Balance as at 1st April	79,059.81	62,085.05
Merger impact	-	(75.23)
Profit for the year	20,409.54	18,513.60
Other comprehensive income	(88.39)	(234.31)
Appropriations		
- Dividend	(1,536.63)	(1,229.30)
(D)	97,844.33	79,059.81
Treasury shares		
Balance as at 1st April	(2,812.64)	(2,812.64)
(E)	(2,812.64)	(2,812.64)
(A+B+C+D+E)	105,968.44	87,183.92

Notes

(a) Description of nature and purpose of each reserve

Security premium account: Securities premium account is used to record the premium on issue of shares. Securities premium also includes the difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to employee stock options scheme. The reserve is utilised in accordance with the provisions of the Act.

Special reserve: Special reserve is created by the company in past as per provision of section 45 - IC of the Reserve Bank of India Act, 1934 for repayment of fixed deposit holders.

General reserve: The company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Treasury shares: Treasury shares represents equity shares of the company held by IEI Shareholding (Staff Welfare) Trusts as well as HMIL Shareholding (Staff Welfare) Trusts

(b) Dividend on equity shares paid during the year

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Dividend [INR 1.25 per equity share of face value of INR 1 each (2022-23: INR 10.00 per equity share of face value of INR 10 each)]	1,833.33	1,466.67
Less: Dividend on treasury shares	(296.70)	(237.37)
	1,536.63	1,229.30

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

18. Borrowings

	Non-current		Current	
	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Term loans (Secured)				
Indian rupee loan from financial institution [Refer note (a) and (b) below]	3,647.89	889.00	340.89	375.00
Indian rupee loan from a bank [Refer note (c), (d) and (e) below]	733.68	612.50	-	523.44
Indian rupee vehicle loan from banks and finance companies [Refer note (f) below]	-	66.06	-	33.75
	4,381.57	1,567.56	340.89	932.19
The above amount includes				
Secured borrowings	4,381.57	1,567.56	340.89	932.19
Unsecured borrowings	-	-	-	-
Amount included under the head "Borrowings Current" (Refer note 21)	-	-	(340.89)	(932.19)
	4,381.57	1,567.56	-	-

Notes

- (a) Indian rupees loan from financial institution for capital expenditure carries interest rate from 8% p.a. to 10.45% p.a., presently @ 9.35% p.a. as on 31st March 2024. The loan is secured by first charge on movable and immovable fixed assets pertaining to Reverse Osmosis Membrane manufacturing facility project at Goa and is repayable in 20 equal quarterly instalments with moratorium of 6 months from the actual commercial operations date.
- (b) Indian rupees loan from financial institution for capital expenditure carries interest rate @ 9.25% p.a. as on 31st March 2024. The loan is secured by first charge on movable and immovable fixed assets pertaining to a Resin manufacturing facility project at Roha, Maharashtra and is repayable in 20 equal quarterly instalments with moratorium of 6 months from the commercial operations date.
- (c) Indian rupees loan from a bank for execution of BOOT order from a company and carries interest rate of 9.45% p.a. as on 31st March 2024. The loan is secured by exclusive charge on movable fixed assets and current assets arising out of the said BOOT order and is repayable in 20 equal quarterly instalments with moratorium of 8 quarters from the date of first disbursement.
- (d) Indian rupees loan of INR 925 Lacs from a bank for capital expenditure carried interest rate from 10% p.a. to 10.95% p.a. Loan was repayable in 48 months from the date of the first disbursement. The loan was secured by exclusive first charge on three residential properties. The said Indian rupees loan of INR 925 Lacs has been fully repaid during financial year 2023-2024.
- (e) Indian rupees loan of INR 1,400 Lacs from a bank for capital expenditure carried interest rate from 8.40% p.a. to 10.25% p.a. Loan was repayable in 48 months from the date of the first disbursement. The loan was secured by exclusive first charge on three residential properties. The said Indian rupees loan of INR 1,400 Lacs has been fully repaid during financial year 2023-2024.
- (f) Indian rupee vehicle loans from banks and finance companies @ interest rate from 7.50% to 9.00% p.a. The loans were repayable within a period of 60 months in equal monthly installments along with interest, from the various dates of disbursements. The loans were secured by hypothecation of under lying vehicles. The said Indian rupee vehicle loans have been fully repaid during financial year 2023-2024.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

19. Other financial liabilities - Non Current

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Deposits	867.43	872.50
Deferred payment for acquisition	589.36	-
	1,456.79	872.50

20. Provisions

	Non-current		Current	
	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Provision for employee benefits (Refer note 38)	2,310.31	2,119.57	672.69	530.21
Provision for warranties	-	-	49.39	39.91
	2,310.31	2,119.57	722.08	570.12

Provision for warranties

A provision is recognised for expected warranty claims on Consumer Product Division's products sold during last one year, based on past experience of the level of repairs and returns.

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
At the beginning of the year	39.91	32.68
Arising during the year	49.39	39.91
Utilised during the year	39.91	32.68
Unused amounts reversed	-	-
At the end of the year	49.39	39.91

21. Borrowings - Current

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Working capital loan from banks (Secured) [Refer note (a) & (b) below]	0.40	1,777.40
Current maturities of borrowings (Refer note 18) (Secured)	340.89	932.19
	341.29	2,709.59
The above amount includes		
Secured borrowings	341.29	2,709.59
Unsecured borrowings	-	-
	341.29	2,709.59

- (a) The working capital loan is secured by joint hypothecation of book debts and stocks and collateral security by way of charge on the fixed assets at its manufacturing facilities situated in Hosur, Patancheru, Vashi, Goa, Ankleshwar and Mumbai (Office Premises). The working capital loan is repayable on demand and carries interest @ 7.90% to 10.70% p.a.
- (b) The working capital loan raised by amalgamated wholly owned subsidiary, was secured by hypothecation of book debts and stocks and collateral security by way of charge on the movable and immovable fixed assets situated at Wada, Thane. The working capital loan was repayable on demand and carried floating interest @ 15.60 % p.a. The said working capital loan has been fully repaid during financial year 2023-24.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

22. Trade payables

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Trade payables (including acceptances)		
- Total outstanding dues of micro and small enterprises (Refer note 50)	4,894.57	6,081.59
- Total outstanding dues of creditors other than Micro and Small Enterprises	60,189.29	46,227.53
	65,083.86	52,309.12

Trade payables ageing schedule

As at 31 March 2024

	Not due INR in Lacs	Outstanding for following periods from due date of payment				Total INR in Lacs
		Less than 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	
Total outstanding dues of micro enterprises and small enterprises	2,420.72	2,443.94	11.03	16.17	2.71	4,894.57
Total outstanding dues of creditors other than micro enterprises and small enterprises	30,444.92	27,959.46	725.36	125.88	400.29	59,655.91
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	533.38	-	-	-	533.38
	32,865.64	30,936.78	736.39	142.05	403.00	65,083.86

As at 31 March 2023

	Not due INR in Lacs	Outstanding for following periods from due date of payment				Total INR in Lacs
		Less than 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	
Total outstanding dues of micro enterprises and small enterprises	2,686.52	3,361.98	19.63	4.18	9.28	6,081.59
Total outstanding dues of creditors other than micro enterprises and small enterprises	26,048.13	19,470.07	84.96	39.90	355.36	45,998.42
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	229.11	-	-	-	229.11
	28,734.65	23,061.16	104.59	44.08	364.64	52,309.12

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

23. Other financial liabilities - Current

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Interest accrued but not due	0.63	8.84
Employee benefits payable	3,240.72	2,785.03
Creditors for capital goods	2,379.96	757.08
Deferred payment for acquisition	195.85	-
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
- Unpaid dividend	69.51	69.85
- Unclaimed interest on fixed deposit	-	0.16
- Unclaimed matured deposit	-	0.65
	5,886.67	3,621.61

24. Other current liabilities

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Advance from customers	17,981.93	19,151.56
Unearned revenue on Construction contracts	22,435.96	17,607.30
Unearned revenue on AMC services	1,029.15	802.26
Statutory dues	2,022.63	1,950.19
Other liabilities	360.00	371.82
	43,829.67	39,883.13

25. Current tax liabilities

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Provision for income tax (Net of advance tax)	430.02	463.77
	430.02	463.77

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**26. Revenue from operations**

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Sale of products		
Finished goods	126,709.92	113,496.12
Traded goods	18,772.38	13,557.02
Sale of services	71,526.82	61,020.92
Other operating revenue		
Scrap sale	409.07	498.10
Management fees	67.82	138.27
Other operating income	518.14	523.05
	218,004.15	189,233.48

Revenue disaggregation as per industry vertical and geography has been included in segment information (Refer note 41)

27. Other income

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Interest income on financial instruments measured at amortised cost		
- From banks	2,897.82	2,222.17
- From subsidiaries and joint venture	741.95	772.78
- From others	382.86	340.00
Guarantee commission	45.74	28.44
Rent	225.26	209.72
Dividend income on		
- Investment in subsidiaries	65.28	48.78
- Current investments	3.08	-
- Long-term investments	10.55	11.53
Exchange gain (Net)	-	733.50
Profit on fixed assets sold/discarded (Net)	26.45	-
Other non operating Income	283.55	133.83
Change in fair value of investments classified at FVTPL	21.90	0.05
	4,704.44	4,500.80

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

28. Cost of raw material consumed

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Inventory at the beginning of the year	9,246.02	6,407.49
Add: Purchases*	129,839.50	118,575.23
Less: Inventory at the end of the year	8,950.08	9,246.02
Cost of raw material and components consumed **	130,135.44	115,736.70

* Includes direct expenses incurred on contracts INR 6,627.21 Lacs (2022-2023: INR 6,478.58 Lacs)

** The value of raw materials consumed have been arrived at on basis of opening stocks plus purchases less closing stock. The consumption therefore includes adjustments for materials sold, shortage/ excess and obsolescence.

29. Purchases of stock-in-trade

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Consumer products	8,092.43	6,234.21
Spares	860.60	701.77
Others	109.37	117.56
	9,062.40	7,053.54

30. Changes in inventories of finished goods, stock-in-trade and work-in-progress

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Inventories at the end of the year		
Traded goods	1,844.32	1,641.41
Work-in-progress	2,414.67	2,329.62
Finished goods	3,972.15	3,532.34
Contract work-in-progress	80.15	591.89
(A)	8,311.29	8,095.26
Inventories at the beginning of the year		
Traded goods	1,641.41	1,134.08
Work-in-progress	2,329.62	1,831.76
Finished goods	3,532.34	4,146.52
Contract work-in-progress	591.89	310.48
(B)	8,095.26	7,422.84
(B) - (A)	(216.03)	(672.42)

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**31. Employee benefits expense**

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Salaries, wages and bonus	21,887.25	17,651.49
Contribution to provident and other funds (Refer note 38)	1,348.22	1,212.78
Staff welfare expense	951.37	784.27
	24,186.84	19,648.54

32. Finance costs

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Interest expense on financial liabilities measured at amortised cost	337.44	607.12
Interest on lease liabilities	154.45	140.51
Other borrowing costs	181.35	147.91
	673.24	895.54

33. Depreciation and amortisation expense

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Depreciation of property, plant and equipment (Refer note 2)	2,429.04	2,006.35
Depreciation of ROU Assets (Refer note 4)	792.55	742.09
Amortization of intangible assets (Refer note 5)	73.61	64.58
	3,295.20	2,813.02

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

34. Other expenses

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Stores and spare parts consumed	75.94	71.03
Power and fuel	2,435.46	2,376.18
Repairs and maintenance - Buildings	111.47	123.82
- Plant and machinery	783.42	660.72
- Others	405.74	439.85
Rent (Net of recoveries)	261.68	300.90
Rates and taxes	841.73	704.99
Insurance (Net of recoveries)	303.95	283.29
Travelling and conveyance	4,149.32	3,352.34
Freight (Net of recoveries)	4,419.21	4,032.40
Packing (Net of recoveries)	2,280.86	2,056.31
Advertisement and publicity	1,806.40	1,161.93
Commission	625.54	266.23
Legal and professional charges	2,851.76	2,001.70
Telephone and telex	219.18	196.12
Bad debts written off	267.71	353.19
Less : Withdrawal of provision for bad debts	(221.77)	-
	45.94	353.19
Provision for doubtful debts	200.00	-
Doubtful advances / Claims written off	66.95	104.22
Auditors' remuneration (Refer note 34.1)	76.09	71.08
Directors' fees (Refer note 42)	45.35	31.95
Directors' commission	288.00	256.00
Bank charges	298.42	252.34
Exchange loss (Net)	169.68	-
Loss on fixed assets sold/discarded (Net)	-	30.38
Provision for Impairment in value of investments	2.45	-
Establishment and other miscellaneous expenses *	5,372.29	4,552.71
	28,136.83	23,679.68

* includes CSR expenditure of INR 434.90 Lacs (2022-23 : INR 356.06 Lacs) Refer note 52

34.1 Auditors' remuneration (excluding taxes)

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
As auditor:		
- Audit fees	43.00	43.75
- Tax audit fees	4.00	4.00
- Limited review	9.00	8.25
In other capacity:		
- Other services (Certification fees)	9.15	6.90
Reimbursement of expenses	6.44	3.68
Branch auditor		
- Audit fees	2.75	2.75
- Other services (Certification fees)	1.20	1.20
- Reimbursement of expenses	0.55	0.55
	76.09	71.08

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

35. Tax expense

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Current tax	6,737.13	6,203.94
Deferred tax	288.00	(137.86)
	7,025.13	6,066.08
Reconciliation of tax expense		
Profit before tax	27,434.67	24,579.68
Applicable tax rate	25.17%	25.17%
Computed tax expense	(A) 6,905.31	6,186.71
Adjustments for:		
Non-deductible tax expenses	55.88	45.31
Tax-exempt income	(19.63)	(14.95)
Corporate social responsibility expenditure	109.46	89.62
Deduction under house property	(16.99)	(19.88)
Others	(8.90)	(220.73)
Net adjustments	(B) 119.82	(120.63)
Tax expense	(A+B) 7,025.13	6,066.08

36. Other comprehensive income

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Items that will not be reclassified to profit or loss		
Re-measurements of defined benefit plans	(118.12)	(313.47)
Income tax relating to items that will not be reclassified to profit or loss	29.73	79.16
	(88.39)	(234.31)

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

37. Earnings per share (EPS)

	Particulars	31st March 2024	31st March 2023
I	Profit computation for both basic and diluted earnings per share of INR 1 each [Refer note (a) below] Net profit as per the statement of profit and loss available for equity shareholders (INR in Lacs)	20,409.54	18,513.60
II	Weighted average number of equity shares for earnings per share computation		
	A) For basic earnings per share		
	No. of shares	146,666,590	146,666,590
	Less: Treasury shares held by IEI Shareholding (Staff Welfare) Trusts and HMIL Shareholding (Staff Welfare) Trusts	23,736,140	23,736,140
	No. of shares for basic earnings per share	122,930,450	122,930,450
	B) For diluted earnings per share		
	No. of shares for basic EPS	122,930,450	122,930,450
	Add: Weighted average outstanding employee stock options deemed to be issued for no consideration	-	-
	No. of shares for diluted earnings per share	122,930,450	122,930,450
III	Earnings per share in Rupees		
	Basic (INR)	16.603	15.060
	Diluted (INR)	16.603	15.060

Note

- (a) The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity shares of face value of INR 1 each with effect from 12th June 2023 (record date). The basic and diluted earnings per share for the previous year has been restated to give effect of the share split as per Ind AS 33.

38. Employee benefits

A. Gratuity

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn basic salary) for each completed year of service. The scheme is funded to a separate trust duly recognised by Income tax authorities.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

	Particulars	INR in Lacs	
		2023-24	2022-23
I	Change in defined benefit obligation		
	Defined benefit obligation, Beginning of period	3,007.02	2,530.97
	Interest cost	206.42	150.80
	Service cost	253.02	187.16
	Total actuarial (gains)/losses	103.76	318.46
	a. Effect of change in financial assumptions	38.54	80.03
	b. Effect of change in demographic assumptions	-	33.61
	c. Experience (gains) / losses	65.22	204.82
	Acquisition / Business combination/divestiture	(9.58)	-
	Benefits paid	(121.96)	(180.37)
	Defined benefit obligation, end of period	3,438.68	3,007.02

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

38. Employee benefits (contd...)

INR in Lacs

	Particulars	2023-24	2022-23
II	Change in the fair value of plan assets		
	Fair value of plan assets at the beginning of the period	2,620.14	2,193.25
	Interest income	197.14	141.27
	Contributions by the employer	300.87	459.06
	(Assets transferred out / divestments)	(9.58)	-
	(Benefit paid from the fund)	(118.80)	(178.43)
	Return on plan assets, excluding interest income	(14.37)	4.99
	Fair value of plan assets at the end of the period	2,975.40	2,620.14
III	Expenses recognised in the statement of profit or loss for current period		
	Current service cost	253.02	187.16
	Net interest cost	9.29	9.54
	Expenses recognised	262.31	196.70
IV	Expenses recognised in the other comprehensive income (OCI) for current period		
	Actuarial (gains) / losses on obligation for the period	104.50	317.80
	Return on plan assets, excluding interest income	13.62	(4.33)
	Net (income) / expense for the period recognised in OCI	118.12	313.47
V	Maturity analysis of the benefit payments		
	Projected benefits payable in future years from the date of reporting		
	1st following year	634.05	497.10
	2nd following year	396.65	382.71
	3rd following year	392.19	436.50
	4th following year	925.76	301.90
	5th following year	271.52	315.51
	Sum of years 6 to 10	1,070.50	1,535.86
	Sum of years 11 and above	924.92	761.14
VI	Sensitivity analysis		
	Projected benefit obligation on current assumptions	3,438.68	3,007.02
	Delta effect of +0.5% change in rate of discounting	(73.25)	(71.24)
	Delta effect of -0.5% change in rate of discounting	77.15	75.03
	Delta effect of +0.5% change in rate of salary increase	76.29	74.79
	Delta effect of -0.5% change in rate of salary increase	(73.26)	(30.27)
	Delta effect of +0.5% change in rate of employee turnover	(10.50)	(8.65)
	Delta effect of -0.5% change in rate of employee turnover	10.89	8.96

The company expects to contribute INR 269.49 Lacs (2023-24: INR 176.84 Lacs) to gratuity in 2024-25.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

38. Employee benefits (contd...)

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Sr. No.	Categories of Assets	% of holding	
		2023-24	2022-23
1	HDFC Std. Life Ins. Co. Ltd./ICICI Pru. Life Ins. Co. Ltd / Bank deposits	100%	100%

The expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Notes:

a) Amounts recognised as an expense and included in note 31:

Gratuity in "Contribution to provident and other funds" INR 359.99 Lacs (2022-23: INR 555.69 Lacs).

B. Provident fund

The company's provident fund schemes which are administered through Government of India are defined contribution plan. The company's contribution paid / payable under the scheme is recognised as expense in the statement of profit and loss during the year in which the employee renders the related services. There are no other obligations other than the contribution payable to the respective fund.

The company's provident fund scheme which is managed by trust set up by the company, the contribution to the provident fund is remitted to a separate trust established for this purpose based on a fixed percentage of the eligible employees' salary and charged to statement of profit and loss. Shortfall, if any, in the fund assets, based on the government specified minimum rate of return, will be made good by the company and charged to statement of profit and loss. The actual return earned by the fund has mostly been higher than the government specified minimum rate of return in the past years. There is a shortfall of INR 129.89 Lacs in the fund as on 31st March 2024 as per valuation report, which has been provided for by the company (As on 31st March 2023 shortfall of INR 74.56 Lacs was provided for).

The details of fund obligations are given below:

Particulars	INR in Lacs	
	As at 31st March 2024	As at 31st March 2023
Present value of benefit obligation at period end	9,290.37	7,806.22

C. Defined contribution plan

Amount recognised as an expense and included in the note 31 – "Contribution to provident and other funds" of the statement of profit and loss INR 932.88 Lacs (2022-23: INR 778.34 Lacs).

D. Other employee benefits

Amounts recognised as an expense and included in note 31

Leave encashment in "Salaries, wages and bonus" INR 562.97 Lacs (2022-23: INR 566.24 Lacs)

E. The net provision for leave encashment liability upto 31st March 2024 is INR 2,511.90 Lacs (31st March 2023: INR 2,222.29 Lacs)

Note:

The Indian parliament has approved the Code of Social Security, 2020 ('the code'), which, inter alia, deals with employee benefits during employment and post-employment. The code has been published in the gazette of India. The effective date of the code and rules thereunder are yet to be notified. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

39. Financial instruments

Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels. It does not include the fair value information for current financial assets and current financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value

INR in Lacs

	As at 31st March 2024				As at 31st March 2023			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level of input used in				Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets - Non-current								
At amortised cost								
Trade receivables	87.29				121.53			
Loans	2,200.00				2,200.00			
Other financial assets	872.58				763.67			
Investments *	0.50				0.50			
At FVTPL								
Investments *	94.30	-	-	94.30	71.81	-	-	71.81
Financial assets - Current **								
At amortised cost								
Trade receivables	92,172.60				69,736.17			
Cash and cash equivalents	11,038.25				15,861.46			
Bank balances other than above	42,459.04				35,834.63			
Loans	4,081.33				4,433.24			
Other financial assets	1,421.29				1,322.47			
At FVTPL								
Investments	53.61	53.61	-	-	31.71	31.71	-	-
Financial liabilities - Non current								
At amortised cost								
Borrowings	4,381.57				1,567.56			
Lease liabilities	872.18				341.48			
Other financial liabilities	1,456.79				872.50			
Financial liabilities - Current **								
Borrowings	341.29				2,709.59			
Lease liabilities	328.77				312.60			
Trade payables	65,083.86				52,309.12			
Other financial liabilities	5,886.67				3,621.61			

* Excludes investments measured at cost.

** The company has not disclosed the fair value of current financial instruments such as trade receivables, cash and cash equivalents, bank balances - others, loans, others, borrowings, lease liabilities, trade payables and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

39. Financial instruments (contd...)

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used. The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

Financial instruments measured at fair value

Type	Valuation technique
Forward contracts for foreign exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies
Non-current financial assets and liabilities measured at amortised cost	Discounted cash flow technique: The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Investments in unquoted preference shares and debentures	Discounted cash flow: The fair value is estimated considering net present value calculated using long term growth rate and discount rate.
Investments in unquoted equity shares	Discounted cash flow: Using long term growth rate.

C. Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This includes listed equity instruments, traded debentures and mutual funds that have quoted price / declared NAV. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: Level 2 hierarchy includes financial instruments that are not traded in an active market (for example, traded bonds/debentures, over the counter derivatives). The fair value in this hierarchy is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant Inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy.

D. Inter level transfers:

There are no transfers between levels 1 and 2 as also between levels 2 and 3 during the year

E. Financial risk management:

The company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

(i) Risk management framework

The company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

The company's risk management policies are established to identify and analyses the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the major observation are periodically reported to the audit committee.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**39. Financial instruments (contd...)****Credit risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customers.

Trade receivables

Credit risk is managed through credit approvals and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. In respect of trade receivables, the company is not exposed to any significant credit risk exposure to any single counter party or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. The company assesses the credit quality of the customer based on market intelligence, past payment history and defaults.

Credit risk management procedure includes regular monitoring of outstanding trade receivables to ensure risk of credit loss is minimal.

As per policy, trade receivables are classified into different buckets based on the overdue period. There are different provisioning norms for each bucket which are ranging from 25% to 100%.

The movement in the provision for expected credit loss in respect of trade receivables (including retention money) and accrued value of work done during the year is as follows:

Particulars	Trade Receivable INR in Lacs
Balance as at 1st April 2022	2,875.90
Provision recognised	-
Amount utilized	-
Balance as at 31st March 2023	2,875.90
Provision recognised	200.00
Amount utilized	(221.77)
Balance as at 31st March 2024	2,854.13

Cash and cash equivalents

The company held cash and cash equivalents of INR 11,038.25 Lacs as at 31st March 2024 (as at 31st March 2023: INR 15,861.46 Lacs). The cash and cash equivalents are held with banks with good credit ratings.

Other bank balances

The company held other bank balances equivalents of INR 42,459.04 Lacs as at 31st March 2024 (as at 31st March 2023: INR 35,834.63 Lacs). The other bank balances are mainly temporary surplus fund invested in fixed deposits with banks having good rating and margin money against bank guarantees issued by banks on the company's behalf.

Investments

The company has invested an insignificant amount in listed securities. The company does not expect any losses.

Other financial assets

Other financial assets mainly comprise of tender deposits and security deposits which are given to customers or governmental agencies in relation to contracts bid / execution and are assessed by the company for credit risk on a continuous basis.

(ii) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The company has obtained fund and non-fund based working capital limits from various banks. The company invests its temporary surplus funds in bank fixed deposit.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

39. Financial instruments (contd...)

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

As at 31st March 2024

INR in Lacs

	Carrying amount	Contractual cash flows *				
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
(i) Borrowings **	4,722.46	6,231.70	752.55	2,169.72	2,073.57	1,235.86
(ii) Lease liabilities **	1,200.95	1,745.13	424.80	540.05	294.77	485.51
(iii) Other Non-current financial liabilities	1,456.79	1,532.56	-	358.72	306.41	867.43
(iv) Issued financial guarantee contract on behalf of related parties***	-	-	-	-	-	-
Current Financial liabilities						
(i) Short term borrowings	0.40	0.40	0.40	-	-	-
(ii) Trade payables	65,083.86	65,083.86	65,083.86	-	-	-
(iii) Other financial liabilities	5,886.67	5,886.67	5,886.67	-	-	-
	78,351.13	80,480.32	72,148.28	3,068.49	2,674.75	2,588.80

As at 31st March 2023

INR in Lacs

	Carrying amount	Contractual cash flows *				
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
(i) Borrowings **	2,499.75	2,791.12	1,103.69	1,662.56	24.87	-
(ii) Lease liabilities **	654.08	906.14	219.97	394.88	112.23	179.06
(iii) Other Non-current financial liabilities	872.50	872.50	-	-	-	872.50
(iv) Issued financial guarantee contract on behalf of related parties***	-	-	-	-	-	-
Current Financial liabilities						
(i) Short term borrowings	1,777.40	1,777.40	1,777.40	-	-	-
(ii) Trade payables	52,309.12	52,309.12	52,309.12	-	-	-
(iii) Other financial liabilities	3,621.61	3,621.61	3,621.61	-	-	-
	61,734.46	62,277.89	59,031.79	2,057.44	137.10	1,051.56

* Contractual cash flow includes interest payout in the respective years on borrowings.

** Includes current and non-current portion.

*** Guarantees issued by the company on behalf of subsidiaries and associates are with respect to working capital facilities raised by the respective subsidiaries and associates. These amounts will be payable in the event of default by the concerned parties. As of the reporting date, none of the subsidiaries and associates have defaulted and hence, the company does not have any present obligation to third parties in relation to such guarantees (Refer note 42).

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**39. Financial instruments (contd...)****(iii) Market risk**

The company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates to the floating rate debt obligations.

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk:

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the company's interest-bearing financial instruments is as follows.

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
<u>Fixed rate instruments</u>		
Financial assets - measured at amortised cost		
Loans to related parties	5,940.38	5,618.90
Balances with banks - On deposit account with original maturing less than 3 months	5,089.20	11,600.00
Other bank balances - On deposit account	21,048.63	15,937.52
Other bank balances - On margin money account	21,340.90	19,827.10
	53,419.11	52,983.52
Financial liabilities – measured at amortised cost		
Long term borrowings *	-	99.81
	-	99.81
<u>Variable rate loan</u>		
Financial liabilities – measured at amortised cost		
Long term borrowings *	4,722.46	2,399.94
Short term borrowings	0.40	1,777.40
	4,722.86	4,177.34

* Including current maturity of long term borrowings

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

39. Financial instruments (contd...)

Fair value sensitivity analysis for fixed-rate instruments:

The company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments:

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amount shown below. This analysis assumes that all other variables remain constant.

	31st March 2024		31st March 2023	
	Increase (-) INR in Lacs	Decrease + INR in Lacs	Increase (-) INR in Lacs	Decrease + INR in Lacs
1% Movement	(47.23)	47.23	(41.77)	41.77

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Foreign currency risk

The company is exposed to currency risk on account of its revenue generating and operating activities in foreign currency. The functional currency of the company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed in recent periods and may continue to fluctuate in the future.

Exposure to currency risk:

The currency profile of financial assets and financial liabilities as at 31st March 2024 and 31st March 2023 are as below:

As at 31st March 2024

INR in Lacs

	USD	EUR	SAR	AED	Others	Total
Financial assets						
Loans to subsidiaries	263.40	-	-	-	-	263.40
Cash and cash equivalents	317.85	-	-	709.03	751.72	1,778.60
Trade and other receivables	23,901.17	1,895.38	96.53	1,332.74	207.47	27,433.29
	24,482.42	1,895.38	96.53	2,041.77	959.19	29,475.29
Less: Forward exchange contracts	(2,134.37)	-	-	-	-	(2,134.37)
Less: Natural hedge	(2,879.37)	(400.63)	-	(1,180.42)	(920.56)	(5,380.98)
Net exposure on financial assets	19,468.68	1,494.75	96.53	861.35	38.63	21,959.94
Financial liabilities						
Trade and other payables	2,879.37	1,069.75	-	1,180.42	2,637.59	7,767.13
	2,879.37	1,069.75	-	1,180.42	2,637.59	7,767.13
Less: Forward exchange contracts	-	-	-	-	-	-
Less: Natural hedge	(2,879.37)	(400.63)	-	(1,180.42)	(920.56)	(5,380.98)
Net exposure on financial liabilities	-	669.12	-	-	1,717.03	2,386.15
Total net exposure	19,468.68	2,163.87	96.53	861.35	1,755.66	24,346.09

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

39. Financial instruments (contd...)

As at 31st March 2023

INR in Lacs

	USD	EUR	SAR	AED	Others	Total
Financial assets						
Loans to subsidiaries	333.09	-	-	-	-	333.09
Cash and cash equivalents	313.95	-	-	333.44	276.02	923.41
Trade and other receivables	20,252.54	311.34	228.15	657.03	464.55	21,913.61
	20,899.58	311.34	228.15	990.47	740.57	23,170.11
Less: Forward exchange contracts	(2,848.82)	-	-	-	-	(2,848.82)
Less: Natural hedge	(2,421.75)	(140.99)	-	(990.47)	(461.96)	(4,015.17)
Net exposure on financial assets	15,629.01	170.35	228.15	-	278.61	16,306.12
Financial liabilities						
Trade and other payables	2,421.75	140.99	-	1,131.70	2,364.12	6,058.56
	2,421.75	140.99	-	1,131.70	2,364.12	6,058.56
Less: Forward exchange contracts	-	-	-	-	-	-
Less: Natural hedge	(2,421.75)	(140.99)	-	(990.47)	(461.96)	(4,015.17)
Net exposure on financial liabilities	-	-	-	141.23	1,902.16	2,043.39
Total net exposure	15,629.01	170.35	228.15	141.23	2,180.77	18,349.51

Sensitivity analysis:

A reasonably possible strengthening / weakening of the Indian Rupee against foreign currency at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

INR in Lacs

	Profit or (loss)			
	31st March 2024		31st March 2023	
	(Strengthening)	Weakening	(Strengthening)	Weakening
1% movement				
USD	(194.69)	194.69	(156.29)	156.29
EUR	(21.64)	21.64	(1.70)	1.70
SAR	(0.96)	0.96	(2.28)	2.28
AED	(8.61)	8.61	(1.41)	1.41
Others	(17.56)	17.56	(21.81)	21.81
	(243.46)	243.46	(183.49)	183.49

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

40. Disclosure as per Ind AS 115

- (a) The company offers wide range of solutions across the water cycle from pre-treatment to process water treatment, waste water treatment, recycle, zero liquid discharge, sewage treatment, packaged drinking water, sea water desalination etc. The company is also engaged in manufacturing resins, speciality chemicals for water and waste water treatment as well as non-water applications.

The type of work in the contracts with the customers involves designing, engineering, supply of materials, installation and commissioning of the plant, project management, operations and maintenance. The effect of initially applying Ind AS 115 on the Company's revenue from contracts with customers is described in Note 1.17.

- (b) Revenue disaggregation as per industry vertical and geography has been included in segment information (Refer note 41).
(c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers in respect of contracts in progress:

INR in Lacs

Particulars	As at 31st March 2024	As at 31st March 2023
Receivables which are included in trade and other receivables	65,896.51	48,111.79
Contract assets		
- Accrued value of work done	5,619.25	4,032.45
Contract liabilities		
- Unearned revenue on construction contracts	22,435.96	17,607.30
- Advance from customers	15,412.18	14,608.12

- (d) Remaining performance obligations

The following table includes revenue expected to be recognised in future related to performance obligations that are unsatisfied or partially unsatisfied at reporting date

The company applies practical expedient included in Para 121 of Ind AS 115 and does not disclose information about the remaining performance obligations that have an original expected contract duration of one year or less

INR in Lacs

	31st March 2024	31st March 2023
Amount of revenue expected to be recognised for contracts having original expected duration of more than one year in progress as at reporting date	244,232.00	289,111.00

- (e) Performance obligation

The company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the company provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the company enters into multiple contracts with the same customer, the company evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The company recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**40. Disclosure as per Ind AS 115 (contd...)**

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the plant to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognises the entire estimated loss in the period the loss becomes known.

Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

- (f) Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.
- (g) Revenue from sale of goods is recognised at the point in time when control of the assets is transferred to the customer, generally on delivery of the goods.
- (h) Revenue related to fixed price maintenance and support services contracts where the company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- (i) Reconciliation of revenue recognised in the statement of profit and loss

The following table discloses the reconciliation of amount of revenue recognised:

INR in Lacs

Particulars	2023-24	2022-23
Revenue	218,960.99	189,936.35
Less: Reduction towards variable consideration component *	956.84	702.87
Revenue recognised in the statement of profit and loss	218,004.15	189,233.48

* Reduction towards variable consideration component includes discount etc.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

41. Segment

I. Information about business segments

INR in Lacs

	Engineering		Chemicals		Consumer Products		Unallocated		Total	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Revenue										
External sales	135,124.45	114,922.38	57,442.01	54,867.92	25,369.70	19,304.38	67.99	138.80	218,004.15	189,233.48
Inter-segmental Sales	2,907.56	2,981.42	3,733.83	3,481.95	-	-	-	-	6,641.39	6,463.37
Total revenue	138,032.01	117,903.80	61,175.84	58,349.87	25,369.70	19,304.38	67.99	138.80	224,645.54	195,696.85
Less: Eliminations									(6,641.39)	(6,463.37)
Add: Interest income							4,022.63	3,334.95	4,022.63	3,334.95
Add: Other income	221.53	689.68	144.64	157.47	0.02	0.07	315.62	318.63	681.81	1,165.85
Total enterprise revenue									222,708.59	193,734.28
Result										
Segment results	11,593.40	10,581.16	16,607.37	14,266.41	(643.64)	(271.43)	-	-	27,557.13	24,576.14
Unallocated expenditure net of unallocated income							(3,471.85)	(2,435.87)	(3,471.85)	(2,435.87)
Finance cost							(673.24)	(895.54)	(673.24)	(895.54)
Interest income							4,022.63	3,334.95	4,022.63	3,334.95
Profit before taxation							(122.46)	3.54	27,434.67	24,579.68
Other Information										
Segment assets	149,307.52	129,766.37	34,400.95	27,340.00	6,957.04	4,770.74	42,412.81	31,544.53	233,078.32	193,421.64
Segment liabilities	92,981.88	79,115.77	15,767.87	13,145.67	6,141.16	4,666.66	10,752.30	7,842.95	125,643.21	104,771.05
Capital expenditure	5,128.05	3,585.65	2,474.81	1,066.79	130.12	100.12	1,536.47	489.55	9,269.45	5,242.11
Depreciation	1,056.09	764.44	1,581.61	1,551.05	66.98	57.41	590.52	440.12	3,295.20	2,813.02
Non cash expenditure other than depreciation	222.88	339.19	180.00	672.89	91.26	181.20	79.72	(331.32)	573.86	861.96

II. Information about geographical segments

INR in Lacs

	India		Outside India		Total	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
External revenue	182,393.36	149,791.98	35,610.79	39,441.50	218,004.15	189,233.48
Carrying amount of segment assets	198,712.85	168,899.24	34,365.47	24,522.40	233,078.32	193,421.64
Additions to property, plant and equipment	9,260.89	5,242.11	8.56	-	9,269.45	5,242.11

III. Notes:

- The company's operations are organised into three business segments, namely:
Engineering division – comprising of water treatment plants, spares and services in connection with the plants.
Chemicals – comprising of resins, water treatment chemicals and speciality chemicals.
Consumer Products – comprising of water purification equipments for homes, institutions and communities.
The segment revenue in the geographical segments considered for disclosure are as follows:
Revenue within India includes sales to customers located within India and earnings in India. Revenue outside India includes sales to customers located outside India and earnings outside India.
- No single customer contributes 10% or more of the company's total revenue for the year ended 31st March 2024.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**42. Related party disclosures (As identified by the management):**Where control exists

- a) Subsidiary companies
- Ion Exchange Enviro Farms Ltd.
 Watercare Investments (India) Ltd.
 Aqua Investments (India) Ltd.
 Ion Exchange Asia Pacific Pte. Ltd., Singapore
 Ion Exchange Asia Pacific (Thailand) Ltd., Thailand *
 PT Ion Exchange Asia Pacific, Indonesia*
 IEI Environmental Management (M) Sdn. Bhd., Malaysia (till 9th March 2024)
 Ion Exchange Environment Management (BD) Ltd., Bangladesh
 Ion Exchange LLC, USA
 Ion Exchange And Company LLC, Oman
 Ion Exchange WTS (Bangladesh) Ltd., Bangladesh
 Ion Exchange Projects and Engineering Ltd.
 Ion Exchange Safic Pty. Ltd., South Africa
 Total Water Management Services (India) Ltd.
 Ion Exchange Purified Drinking Water Pvt. Ltd.
 Ion Exchange Arabia For Water, Saudi Arabia
 Ion Exchange Europe LDA, Portugal
 Mapril - Produtos Químicos e Máquinas Para A Indústria, Lda, Portugal
 (w.e.f. 22nd June 2023)

Others

- b) Associates
- Aquanomics Systems Ltd.
 Ion Exchange PSS Co. Ltd., Thailand **
 Ion Exchange Financial Products Pvt. Ltd. **
- c) Key managerial personnel
- Mr. Rajesh Sharma - Chairman & Managing Director
 Mr. Dinesh Sharma - Executive Director
 Mr. Aankur Patni - Executive Director
- d) Non-executive directors
- Dr. V. N. Gupchup
 Mr. M. P. Patni
 Mr. T. M. M. Nambiar
 Mr. P. Sampathkumar
 Mr. Abhiram Seth
 Mr. Shishir Tamotia
 Mrs. Kishori Udeshi
 Mr. David Paul Rasquinha
 Mr. Sanjay Joshi
- e) Relatives of key managerial personnel and director
- Mr. M. P. Patni - Father of Mr. Aankur Patni
 Mr. Bimal Jain - Brother of Mr. M. P. Patni
 Mrs. Nirmala Patni - Mother of Mr. Aankur Patni
 Mrs. Aruna Sharma - Wife of Mr. Rajesh Sharma
 Mrs. Poonam Sharma - Wife of Mr. Dinesh Sharma
 Mrs. Nidhi Patni - Wife of Mr. Aankur Patni
 Ms. Pallavi Sharma - Daughter of Mr. Rajesh Sharma
 Mrs. Anita Jain - Wife of Mr. Bimal Jain
- f) Enterprise owned or significantly influenced by key managerial personnel or their relatives
- Ion Foundation
 Rockmen Merchants Ltd.
 Mrs. Rajkumari Nambiar - Wife of Mr. T. M. M. Nambiar
- g) Post-employment benefit plans
- Ion Exchange (India) Ltd.'s Provident Institution
 Ion Exchange (India) Ltd.'s Management Staff Gratuity Fund
 Ion Exchange Staff Superannuation Scheme
 Ion Exchange India Ltd. – Gratuity Fund Trust

* Subsidiary company of subsidiary

** Associate companies of subsidiaries

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

42. Related party disclosures (contd...)

I. Related party-wise transactions during the year with outstanding balances as at year-end:

INR in Lacs

Particulars	Subsidiaries		Associates		Key managerial personnel / Relative / Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Sale of goods *								
Ion Exchange And Company LLC, Oman	3.11	5.50	-	-	-	-	3.11	5.50
Ion Exchange Arabia For Water, Saudi Arabia	894.65	458.07	-	-	-	-	894.65	458.07
Ion Exchange Asia Pacific (Thailand) Ltd., Thailand	90.36	133.70	-	-	-	-	90.36	133.70
Ion Exchange Asia Pacific Pte. Ltd., Singapore	655.27	553.60	-	-	-	-	655.27	553.60
Ion Exchange Environment Management (BD) Ltd., Bangladesh	126.84	125.54	-	-	-	-	126.84	125.54
Ion Exchange Europe LDA	1,580.13	1,112.91	-	-	-	-	1,580.13	1,112.91
Ion Exchange LLC, USA	4,307.91	3,501.31	-	-	-	-	4,307.91	3,501.31
Ion Exchange Projects And Engineering Ltd.	-	2.88	-	-	-	-	-	2.88
Ion Exchange Purified Drinking Water Pvt. Ltd.	0.16	5.95	-	-	-	-	0.16	5.95
Ion Exchange Safic Pty. Ltd., South Africa	507.84	857.67	-	-	-	-	507.84	857.67
Mapril - Produtos Químicos e Máquinas Para A Indústria, Lda, Portugal	2,208.04	-	-	-	-	-	2,208.04	-
PT Ion Exchange Asia Pacific, Indonesia	104.00	299.27	-	-	-	-	104.00	299.27
Aquanomics Systems Ltd.	-	-	7,591.40	10,935.30	-	-	7,591.40	10,935.30
Ion Exchange PSS Co. Ltd., Thailand	-	-	131.54	106.97	-	-	131.54	106.97
Total	10,478.31	7,056.40	7,722.94	11,042.27	-	-	18,201.25	18,098.67
Services rendered								
Ion Exchange Projects And Engineering Ltd.	91.63	85.91	-	-	-	-	91.63	85.91
Total Water Management Services (India) Ltd.	9.90	11.98	-	-	-	-	9.90	11.98
Total	101.53	97.89	-	-	-	-	101.53	97.89
Rental income								
Ion Exchange Projects And Engineering Ltd.	83.79	83.79	-	-	-	-	83.79	83.79
Total	83.79	83.79	-	-	-	-	83.79	83.79
Interest income on loan and advances								
IEI Environmental Management (M) Sdn. Bhd., Malaysia	5.65	4.99	-	-	-	-	5.65	4.99
Ion Exchange Arabia For Water, Saudi Arabia	1.98	2.93	-	-	-	-	1.98	2.93
Ion Exchange Asia Pacific (Thailand) Ltd., Thailand	1.93	1.96	-	-	-	-	1.93	1.96
Ion Exchange Asia Pacific Pte. Ltd., Singapore	22.34	19.76	-	-	-	-	22.34	19.76
Ion Exchange Enviro Farms Ltd.	546.50	501.30	-	-	-	-	546.50	501.30

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**42. Related party disclosures (contd...)****I. Related party-wise transactions during the year with outstanding balances as at year-end: (contd...)****INR in Lacs**

Particulars	Subsidiaries		Associates		Key managerial personnel / Relative / Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Interest income on loan and advances (contd...)								
Ion Exchange Projects And Engineering Ltd.	140.92	154.95	-	-	-	-	140.92	154.95
Ion Exchange Purified Drinking Water Pvt. Ltd.	22.63	76.61	-	-	-	-	22.63	76.61
Ion Exchange Safic Pty. Ltd., South Africa	-	10.28	-	-	-	-	-	10.28
Total	741.95	772.78	-	-	-	-	741.95	772.78
Management fees								
Aquanomics Systems Ltd.	-	-	67.82	138.27	-	-	67.82	138.27
Total	-	-	67.82	138.27	-	-	67.82	138.27
Purchase of goods *								
Ion Exchange Projects And Engineering Ltd.	-	0.44	-	-	-	-	-	0.44
Ion Exchange Safic Pty. Ltd., South Africa	-	4.08	-	-	-	-	-	4.08
Aquanomics Systems Ltd.	-	-	218.65	211.29	-	-	218.65	211.29
Total	-	4.52	218.65	211.29	-	-	218.65	215.81
Services received								
Ion Exchange Projects And Engineering Ltd.	3,009.57	3,361.08	-	-	-	-	3,009.57	3,361.08
Ion Exchange Environment Management (BD) Ltd., Bangladesh	-	14.12	-	-	-	-	-	14.12
Ion Exchange Safic Pty. Ltd., South Africa	16.67	28.62	-	-	-	-	16.67	28.62
Total Water Management Services (India) Ltd.	44.18	-	-	-	-	-	44.18	-
Aquanomics Systems Ltd.	-	-	-	0.16	-	-	-	0.16
Total	3,070.42	3,403.82	-	0.16	-	-	3,070.42	3,403.98
Rental expenses								
Ion Exchange Enviro Farms Ltd.	45.47	39.54	-	-	-	-	45.47	39.54
Total	45.47	39.54	-	-	-	-	45.47	39.54
Miscellaneous expenses								
Ion Exchange Enviro Farms Ltd.	85.98	65.86	-	-	-	-	85.98	65.86
Total	85.98	65.86	-	-	-	-	85.98	65.86
Interest paid on inter corporate deposits								
Aqua Investments (India) Ltd.	-	15.40	-	-	-	-	-	15.40
Total Water Management Services (India) Ltd.	-	0.69	-	-	-	-	-	0.69
Watercare Investments (India) Ltd.	-	12.35	-	-	-	-	-	12.35
Total	-	28.44	-	-	-	-	-	28.44

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

42. Related party disclosures (contd...)

I. Related party-wise transactions during the year with outstanding balances as at year-end: (contd...)

INR in Lacs

Particulars	Subsidiaries		Associates		Key managerial personnel / Relative / Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Impairment of investments								
Ion Exchange WTS (Bangladesh) Ltd., Bangladesh	2.45	-	-	-	-	-	2.45	-
Total	2.45	-	-	-	-	-	2.45	-
Investments written off								
IEI Environmental Management (M) Sdn. Bhd., Malaysia (Impaired in earlier year)	18.10	-	-	-	-	-	18.10	-
Total	18.10	-	-	-	-	-	18.10	-
Loans and advances written off								
IEI Environmental Management (M) Sdn. Bhd., Malaysia	62.56	-	-	-	-	-	62.56	-
Total	62.56	-	-	-	-	-	62.56	-
Bad debts written off								
IEI Environmental Management (M) Sdn. Bhd., Malaysia (Out of provision for doubtful debts)	221.77	-	-	-	-	-	221.77	-
Ion Exchange PSS Co. Ltd., Thailand	-	-	-	254.72	-	-	-	254.72
PT Ion Exchange Asia Pacific	-	89.05	-	-	-	-	-	89.05
Total	221.77	89.05	-	254.72	-	-	221.77	343.77
Loans and advances given								
Ion Exchange Enviro Farms Ltd.	578.98	508.83	-	-	-	-	578.98	508.83
Ion Exchange Projects And Engineering Ltd.	5,126.90	2,814.56	-	-	-	-	5,126.90	2,814.56
Ion Exchange Purified Drinking Water Pvt. Ltd.	206.67	226.08	-	-	-	-	206.67	226.08
Ion Exchange Safic Pty. Ltd., South Africa	-	153.90	-	-	-	-	-	153.90
Total Water Management Services (India) Ltd.	11.78	7.02	-	-	-	-	11.78	7.02
Total	5,924.33	3,710.39	-	-	-	-	5,924.33	3,710.39
Loans and advances repaid								
Ion Exchange Arabia For Water, Saudi Arabia	26.89	-	-	-	-	-	26.89	-
Ion Exchange Asia Pacific (Thailand) Ltd, Thailand	8.21	-	-	-	-	-	8.21	-
Ion Exchange Enviro Farms Ltd.	93.13	75.11	-	-	-	-	93.13	75.11
Ion Exchange Projects And Engineering Ltd.	4,891.91	4,007.23	-	-	-	-	4,891.91	4,007.23
Ion Exchange Safic Pty. Ltd., South Africa	-	123.60	-	-	-	-	-	123.60
Ion Exchange Purified Drinking Water Pvt. Ltd.	680.00	577.00	-	-	-	-	680.00	577.00
Total Water Management Services (India) Ltd.	23.49	26.20	-	-	-	-	23.49	26.20
Ion Exchange Financial Product Pvt. Ltd.	-	-	-	3.50	-	-	-	3.50
Total	5,723.63	4,809.14	-	3.50	-	-	5,723.63	4,812.64

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**42. Related party disclosures (contd...)****I. Related party-wise transactions during the year with outstanding balances as at year-end: (contd...)****INR in Lacs**

Particulars	Subsidiaries		Associates		Key managerial personnel / Relative / Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Inter corporate deposits repaid								
Aqua Investments (India) Ltd.	-	224.50	-	-	-	-	-	224.50
Total Water Management Services (India) Ltd.	-	10.00	-	-	-	-	-	10.00
Watercare Investments (India) Ltd.	-	180.00	-	-	-	-	-	180.00
Total	-	414.50	-	-	-	-	-	414.50
Dividend received								
Ion Exchange And Company LLC, Oman	65.28	48.78	-	-	-	-	65.28	48.78
Aquanomics Systems Ltd.	-	-	9.20	9.20	-	-	9.20	9.20
Total	65.28	48.78	9.20	9.20	-	-	74.48	57.98
Dividend paid								
Aqua Investments (India) Ltd.	31.73	25.38	-	-	-	-	31.73	25.38
Watercare Investments (India) Ltd.	23.01	18.41	-	-	-	-	23.01	18.41
Aquanomics Systems Ltd.	-	-	0.13	0.10	-	-	0.13	0.10
Ion Exchange Financial Products Pvt. Ltd.	-	-	6.30	5.04	-	-	6.30	5.04
Mr. Rajesh Sharma	-	-	-	-	103.12	82.50	103.12	82.50
Mr. Dinesh Sharma	-	-	-	-	79.03	63.23	79.03	63.23
Mr. Aankur Patni	-	-	-	-	36.91	29.53	36.91	29.53
Mr. M. P. Patni	-	-	-	-	94.44	75.55	94.44	75.55
Dr. V. N. Gupchup	-	-	-	-	14.02	11.11	14.02	11.11
Mr. Abhiram Seth	-	-	-	-	19.35	15.48	19.35	15.48
Mr. T. M. M. Nambiar	-	-	-	-	10.40	8.32	10.40	8.32
Mr. P. Sampath Kumar	-	-	-	-	7.28	5.82	7.28	5.82
Mr. Shishir Tamotia	-	-	-	-	0.28	0.23	0.28	0.23
Mrs. Kishori Udeshi	-	-	-	-	0.45	0.36	0.45	0.36
Relatives of Key Management Personnel	-	-	-	-	72.22	58.61	72.22	58.61
Total	54.74	43.79	6.43	5.14	437.50	350.74	498.67	399.67
Remuneration								
Mr. Rajesh Sharma	-	-	-	-	542.83	514.92	542.83	514.92
Mr. Dinesh Sharma	-	-	-	-	234.13	223.77	234.13	223.77
Mr. Aankur Patni	-	-	-	-	231.98	223.80	231.98	223.80
Total	-	-	-	-	1,008.94	962.49	1,008.94	962.49
Commission to executive directors								
Mr. Rajesh Sharma	-	-	-	-	300.00	300.00	300.00	300.00
Mr. Dinesh Sharma	-	-	-	-	150.00	150.00	150.00	150.00
Mr. Aankur Patni	-	-	-	-	150.00	150.00	150.00	150.00
Total	-	-	-	-	600.00	600.00	600.00	600.00

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

42. Related party disclosures (contd...)

I. Related party-wise transactions during the year with outstanding balances as at year-end: (contd...)

INR in Lacs

Particulars	Subsidiaries		Associates		Key managerial personnel / Relative / Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Director sitting fees								
Mr. M. P. Patni	-	-	-	-	5.25	4.00	5.25	4.00
Dr. V. N. Gupchup	-	-	-	-	6.00	5.60	6.00	5.60
Mr. T. M. M. Nambiar	-	-	-	-	6.00	4.50	6.00	4.50
Mr. P. Sampath Kumar	-	-	-	-	4.50	3.25	4.50	3.25
Mr. Abhiram Seth	-	-	-	-	6.75	5.25	6.75	5.25
Mr. Shishir Tamotia	-	-	-	-	4.50	3.25	4.50	3.25
Mrs. Kishori Udeshi	-	-	-	-	5.10	3.35	5.10	3.35
Mr. David Paul Rasquinha	-	-	-	-	4.50	2.75	4.50	2.75
Mr. Sanjay Joshi	-	-	-	-	2.75	-	2.75	-
Total	-	-	-	-	45.35	31.95	45.35	31.95
Directors commission								
Mr. M. P. Patni	-	-	-	-	32.00	32.00	32.00	32.00
Dr. V. N. Gupchup	-	-	-	-	32.00	32.00	32.00	32.00
Mr. T. M. M. Nambiar	-	-	-	-	32.00	32.00	32.00	32.00
Mr. P. Sampath Kumar	-	-	-	-	32.00	32.00	32.00	32.00
Mr. Abhiram Seth	-	-	-	-	32.00	32.00	32.00	32.00
Mr. Shishir Tamotia	-	-	-	-	32.00	32.00	32.00	32.00
Mrs. Kishori Udeshi	-	-	-	-	32.00	32.00	32.00	32.00
Mr. David Paul Rasquinha	-	-	-	-	32.00	32.00	32.00	32.00
Mr. Sanjay Joshi	-	-	-	-	32.00	-	32.00	-
Total	-	-	-	-	288.00	256.00	288.00	256.00
CSR expenses								
Ion Foundation	-	-	-	-	412.74	350.58	412.74	350.58
Total	-	-	-	-	412.74	350.58	412.74	350.58
Investments made during the year								
Ion Exchange Arabia For Water, Saudi Arabia	-	204.75	-	-	-	-	-	204.75
Ion Exchange Safic Pty. Ltd., South Africa	147.00	-	-	-	-	-	147.00	-
Ion Exchange Europe LDA, Portugal	-	4.16	-	-	-	-	-	4.16
Total	147.00	208.91	-	-	-	-	147.00	208.91
Purchase of group companies shares during the year								
Mr. Rajesh Sharma	-	-	-	-	-	2.27	-	2.27
Mr. Dinesh Sharma	-	-	-	-	-	3.61	-	3.61
Rockmen Merchants Limited	-	-	-	-	-	108.74	-	108.74
Mr. Mahabir Prasad Patni	-	-	-	-	-	2.27	-	2.27
Mr. Aankur Patni	-	-	-	-	-	2.91	-	2.91
Mrs. Nirmala Patni	-	-	-	-	-	1.00	-	1.00
Mrs. Nidhi Patni	-	-	-	-	-	0.84	-	0.84
Mrs. Poonam Sharma	-	-	-	-	-	0.91	-	0.91
Mrs. Aruna Sharma	-	-	-	-	-	0.91	-	0.91
Mrs. Anita Jain	-	-	-	-	-	0.61	-	0.61

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**42. Related party disclosures (contd...)****I. Related party-wise transactions during the year with outstanding balances as at year-end: (contd...)****INR in Lacs**

Particulars	Subsidiaries		Associates		Key managerial personnel / Relative / Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Purchase of group companies shares during the year (contd...)								
Dr. V. N. Gupchup	-	-	-	-	-	2.27	-	2.27
Mr. T. M. M. Nambiar	-	-	-	-	-	0.91	-	0.91
Mrs. Rajkumari Nambiar	-	-	-	-	-	1.36	-	1.36
Mr. P. Sampat Kumar	-	-	-	-	-	2.27	-	2.27
Mr. Bimal Jain	-	-	-	-	-	0.80	-	0.80
	-	-	-	-	-	131.68	-	131.68
Corporate guarantee commission								
Ion Exchange Asia Pacific Pte. Ltd., Singapore	8.28	3.79	-	-	-	-	8.28	3.79
Ion Exchange Environment Management (BD) Ltd., Bangladesh	5.05	5.42	-	-	-	-	5.05	5.42
Ion Exchange Safic Pty. Ltd., South Africa	8.63	8.23	-	-	-	-	8.63	8.23
Mapril - Produtos Químicos e Máquinas Para A Indústria, Lda, Portugal	12.78	-	-	-	-	-	12.78	-
Aquanomics Systems Ltd.	-	-	11.00	11.00	-	-	11.00	11.00
Total	34.74	17.44	11.00	11.00	-	-	45.74	28.44
Corporate guarantees issued								
Ion Exchange Asia Pacific Pte. Ltd., Singapore	2,501.22	-	-	-	-	-	2,501.22	-
Ion Exchange Safic Pty. Ltd., South Africa	-	41.11	-	-	-	-	-	41.11
Mapril - Produtos Químicos e Máquinas Para A Indústria, Lda, Portugal	7,668.51	-	-	-	-	-	7,668.51	-
Total	10,169.73	41.11	-	-	-	-	10,169.73	41.11
Corporate guarantees discharged								
Ion Exchange Safic Pty. Ltd., South Africa	-	259.48	-	-	-	-	-	259.48
Total	-	259.48	-	-	-	-	-	259.48
Contribution to post-employment benefit plans								
Ion Exchange (India) Ltd.'s Provident Institution	-	-	-	-	330.51	267.53	330.51	267.53
Ion Exchange (India) Ltd.'s Management Staff Gratuity Fund	-	-	-	-	291.87	439.43	291.87	439.43
Ion Exchange Staff Superannuation Scheme	-	-	-	-	141.15	135.77	141.15	135.77
Ion Exchange India Ltd. – Gratuity Fund Trust	-	-	-	-	9.00	19.63	9.00	19.63
Total	-	-	-	-	772.53	862.36	772.53	862.36
Security deposit given and outstanding								
Ion Exchange Enviro Farms	13.12	-	-	-	-	-	13.12	-
Total	13.12	-	-	-	-	-	13.12	-

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)
42. Related party disclosures (contd...)
I. Related party-wise transactions during the year with outstanding balances as at year-end: (contd...)
INR in Lacs

Particulars	Subsidiaries		Associates		Key managerial personnel / Relative / Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Outstanding loans and advances ****								
IEI Environmental Management (M) Sdn. Bhd., Malaysia	-	56.13	-	-	-	-	-	56.13
Ion Exchange Asia Pacific (Thailand) Ltd., Thailand	15.87	21.97	-	-	-	-	15.87	21.97
Ion Exchange Asia Pacific Pte. Ltd., Singapore	247.53	222.06	-	-	-	-	247.53	222.06
Ion Exchange Enviro Farms Ltd.	4,722.34	4,236.49	-	-	-	-	4,722.34	4,236.49
Ion Exchange Projects And Engineering Ltd.	879.93	499.83	-	-	-	-	879.93	499.83
Ion Exchange Purified Drinking Water Pvt. Ltd.	74.71	548.04	-	-	-	-	74.71	548.04
Total Water Management Services (India) Ltd.	-	1.45	-	-	-	-	-	1.45
Ion Exchange Arabia For Water, Saudi Arabia	-	32.93	-	-	-	-	-	32.93
Ion Exchange Financial Products Pvt. Ltd.	-	-	9.00**	9.00**	-	-	9.00**	9.00**
Total	5,940.38	5,618.90	9.00	9.00	-	-	5,949.38	5,627.90
Advance from customer								
Ion Exchange Arabia For Water	24.98	42.53	-	-	-	-	24.98	42.53
Ion Exchange And Company LLC, Oman	6.31	6.31	-	-	-	-	6.31	6.31
Ion Exchange Safic Pty. Ltd., South Africa	0.49	0.49	-	-	-	-	0.49	0.49
Aquanomics Systems Ltd.	-	-	11.61	247.47	-	-	11.61	247.47
	31.78	49.33	11.61	247.47	-	-	43.39	296.80
Outstanding receivables (Net of payables) excluding loans and advances								
IEI Environmental Management (M) Sdn. Bhd., Malaysia	-	221.77**	-	-	-	-	-	221.77**
Ion Exchange And Company LLC, Oman	33.04	29.47	-	-	-	-	33.04	29.47
Ion Exchange Asia Pacific (Thailand) Ltd., Thailand	705.96 @	814.99 @	-	-	-	-	705.96 @	814.99@
Ion Exchange Asia Pacific Pte. Ltd., Singapore	1,680.33	1,648.46	-	-	-	-	1,680.33	1,648.46
Ion Exchange Arabia For Water, Saudi Arabia	495.46	317.84	-	-	-	-	495.46	317.84
Ion Exchange Europe LDA, Portugal	-	397.44	-	-	-	-	-	397.44
Ion Exchange Environment Management (BD) Ltd., Bangladesh	30.08	14.36	-	-	-	-	30.08	14.36
Ion Exchange LLC, USA	2,093.15	2,125.84	-	-	-	-	2,093.15	2,125.84
Ion Exchange Projects And Engineering Ltd	-	43.25	-	-	-	-	-	43.25
Ion Exchange Safic Pty. Ltd., South Africa	245.19	171.30	-	-	-	-	245.19	171.30

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

42. Related party disclosures (contd...)

I. Related party-wise transactions during the year with outstanding balances as at year-end: (contd...)

INR in Lacs

Particulars	Subsidiaries		Associates		Key managerial personnel / Relative / Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Outstanding receivables (Net of payables) excluding loans and advances (contd...)								
Mapril - Produtos Químicos e Máquinas Para A Indústria, Lda, Portugal	1,784.40	-	-	-	-	-	1,784.40	-
PT Ion Exchange Asia Pacific, Indonesia	456.08	434.07	-	-	-	-	456.08	434.07
Aquanomics Systems Ltd.	-	-	2,634.83	5,510.11	-	-	2,634.83	5,510.11
Ion Exchange PSS Co. Ltd., Thailand	-	-	398.55 #	358.31 #	-	-	398.55 #	358.31 #
Total	7,523.69	6,218.79	3,033.38	5,868.42	-	-	10,557.07	12,087.21
Outstanding payables (Net of receivables) excluding loans and advances								
Ion Exchange Enviro Farms Ltd.	2.36	-	-	-	-	-	2.36	-
Total Water Management Services (India) Ltd.	3.16	2.79	-	-	-	-	3.16	2.79
Ion Exchange Projects And Engineering Ltd	10.33	-	-	-	-	-	10.33	-
Total	15.85	2.79	-	-	-	-	15.85	2.79
Investment in equity shares / debentures								
Aqua Investments (India) Ltd.	176.00	176.00	-	-	-	-	176.00	176.00
IEI Environmental Management (M) Sdn. Bhd., Malaysia	-	18.10**	-	-	-	-	-	18.10**
Ion Exchange And Company LLC, Oman	180.85	180.85	-	-	-	-	180.85	180.85
Ion Exchange Arabia For Water, Saudi Arabia	262.93	262.93	-	-	-	-	262.93	262.93
Ion Exchange Asia Pacific Pte. Ltd., Singapore	1,139.40	1,131.12	-	-	-	-	1,139.40	1,131.12
Ion Exchange Enviro Farms Ltd. ***	1,554.70	1,554.70	-	-	-	-	1,554.70	1,554.70
Ion Exchange Environment Management (BD) Ltd., Bangladesh	51.94	46.89	-	-	-	-	51.94	46.89
Ion Exchange Europe, LDA, Portugal	4.16	4.16	-	-	-	-	4.16	4.16
Ion Exchange LLC, USA	372.01	372.01	-	-	-	-	372.01	372.01
Ion Exchange Projects And Engineering Ltd.	1,550.12	1,550.12	-	-	-	-	1,550.12	1,550.12
Ion Exchange Purified Drinking Water Pvt. Ltd.	39.01	39.01	-	-	-	-	39.01	39.01
Ion Exchange Safic Pty. Ltd., South Africa	354.12	198.48	-	-	-	-	354.12	198.48
Ion Exchange WTS (Bangladesh) Ltd., Bangladesh	2.45**	2.45	-	-	-	-	2.45 **	2.45
Mapril - Produtos Químicos e Máquinas Para A Indústria, Lda, Portugal	2,313.94	-	-	-	-	-	2,313.94	-
Total Water Management Services (India) Ltd.	18.00	18.00	-	-	-	-	18.00	18.00
Watercare Investments (India) Ltd.	177.00	177.00	-	-	-	-	177.00	177.00
Aquanomics Systems Ltd.	-	-	134.00	123.00	-	-	134.00	123.00
Ion Foundation	-	-	-	-	0.10	0.10	0.10	0.10
Total	8,196.63	5,731.82	134.00	123.00	0.10	0.10	8,330.73	5,854.92

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

42. Related party disclosures (contd...)

I. Related party-wise transactions during the year with outstanding balances as at year-end: (contd...)

INR in Lacs

Particulars	Subsidiaries		Associates		Key managerial personnel / Relative / Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Corporate guarantees (Outstanding)								
Ion Exchange Asia Pacific Pte. Ltd., Singapore	2,918.09	411.08	-	-	-	-	2,918.09	411.08
Ion Exchange Environment Management (BD) Ltd., Bangladesh	489.38	505.00	-	-	-	-	489.38	505.00
Ion Exchange Safic Pty. Ltd., South Africa	875.43	863.28	-	-	-	-	875.43	863.28
Mapril - Produtos Químicos e Máquinas Para A Indústria, Lda, Portugal	7,668.51	-	-	-	-	-	7,668.51	-
Aquanomics Systems Ltd.	-	-	1,100.00	1,100.00	-	-	1,100.00	1,100.00
Total	11,951.41	1,779.36	1,100.00	1,100.00	-	-	13,051.41	2,879.36

* Gross amount has been considered.

** Provision for impairment / expected credit loss has been made in respect of the said amounts

*** Includes INR 1,500.00 Lacs investment in debentures for both years.

**** Includes receivable on account of re-imbursement of expenses.

@ Provision for impairment / expected credit loss for INR 643.70 Lacs (Previous year INR 643.70 Lacs)

Provision for impairment / expected credit loss for INR 201.93 Lacs (Previous year INR 201.93 Lacs)

Note: The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

II. Company has given letter for continuous financial support to its Subsidiaries - Ion Exchange Safic Pty. Ltd., South Africa, Ion Exchange Asia Pacific Pte. Ltd., Singapore and Ion Exchange Projects And Engineering Ltd.

III. Disclosure pursuant to the regulation 34(3) read with para A of schedule V of (Listing Obligations and Disclosure Requirements) Regulations, 2015:

(a) Loans and advances in the nature of loans

INR in Lacs

Name of the related party	Relationship	As at 31st March 2024 INR in Lacs	Maximum balance in 2023-24 INR in Lacs	As at 31st March 2023 INR in Lacs	Maximum balance in 2022-23 INR in Lacs
IEI Environmental Management (M) Sdn. Bhd., Malaysia	100% Subsidiary	-	62.56	56.13	56.13
Ion Exchange Asia Pacific (Thailand) Ltd., Thailand	100% Subsidiary	15.87	22.19	21.97	21.97
Ion Exchange Asia Pacific Pte. Ltd, Singapore	100% Subsidiary	247.53	247.53	222.06	222.06
Ion Exchange Enviro Farms Ltd.	Subsidiary	4,722.34	4,722.34	4,236.49	4,236.49
Ion Exchange Projects And Engineering Ltd.	Subsidiary	879.93	3,113.95	499.83	2,357.35
Ion Exchange Purified Drinking Water Pvt. Ltd.	100% Subsidiary	74.71	548.04	548.04	898.96
Ion Exchange Safic Pty. Ltd., South Africa	Subsidiary	-	-	-	153.90
Total Water Management Services (India) Ltd.	Subsidiary	-	5.54	1.45	9.66
Ion Exchange Arabia For Water, Saudi Arabia	Subsidiary	-	33.27	32.93	32.93

Notes:

(i) Loans and advances shown above to the subsidiaries fall under the category of 'Loans and Advances in nature of Loans' which are repayable on demand and as per mutual agreement.

(ii) Interest on loans and advances to the subsidiaries are charged at the prevailing market rates.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**42. Related party disclosures (contd...)****IV. Disclosure as per Section 186 of the Companies Act, 2013:**

The details of loans, guarantees and investments under section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

(a) Details of investment made are given in note 6 and 13.

(b) Details of loans given by the company are as follows:

Name of the party	Relationship	Purpose	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
IEI Environmental Management (M) Sdn. Bhd., Malaysia	100% Subsidiary	For business purpose	-	56.13
Ion Exchange Asia Pacific (Thailand) Ltd., Thailand	100% Subsidiary		15.87	21.97
Ion Exchange Asia Pacific Pte. Ltd, Singapore	100% Subsidiary		247.53	222.06
Ion Exchange Enviro Farms Ltd.	Subsidiary		4,722.34	4,236.49
Ion Exchange Projects And Engineering Ltd.	Subsidiary		879.93	499.83
Ion Exchange Purified Drinking Water Pvt. Ltd.	100% Subsidiary		74.71	548.04
Total Water Management Services (India) Ltd.	Subsidiary		-	1.45
Ion Exchange Arabia For Water, Saudi Arabia	Subsidiary		-	32.93

(c) Details of guarantees issued by the company in accordance with section 186 of the Companies Act, 2013 read with rules issued thereunder:

Name of the party on whose behalf guarantee issued	Relationship	Purpose	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Bharuch Enviro Infrastructure Limited	Unrelated	Corporate Guarantee to Gujarat Industrial Development Corporation, for use of facilities	38.88	38.88
Ion Exchange Asia Pacific Pte. Ltd., Singapore	100% Subsidiary	For banking facilities of respective subsidiaries and associate.	2,918.09	411.08
Ion Exchange Environment Management (BD) Ltd., Bangladesh	100% Subsidiary		489.38	505.00
Ion Exchange Safic Pty. Ltd., South Africa	Subsidiary		875.43	863.28
Mapril - Produtos Químicos e Máquinas Para A Indústria, Lda, Portugal	100% Subsidiary		7,668.51	-
Aquanomics Systems Ltd.	Associates		1,100.00	1,100.00

43. Loans and advances to related parties

Loans and advances in the nature of loans are granted to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are:

Type of borrower	As at 31st March 2024		31st March 2023	
	Amount of loan or advances in the nature of loan	Percentage to the total loans and advances in the nature of loan	Amount of loan or advances in the nature of loan	Percentage to the total loans and advances in the nature of loan
	INR in Lacs	%	INR in Lacs	%
Promoter	-	0.00%	-	0.00%
Directors	-	0.00%	-	0.00%
KMPs	-	0.00%	-	0.00%
Related parties	5,940.38	100.00%	5,618.90	100.00%

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

44. (a) The company as at 31st March 2024, has an investment of INR 54.70 Lacs (31st March 2023: INR 54.70 Lacs) in equity shares and INR 1,500.00 Lacs (31st March 2023: INR 1,500.00 Lacs) in 7% Secured Redeemable Non-Convertible Debentures in Ion Exchange Enviro Farms Limited (IEEFL), a subsidiary company. Further as at 31st March 2024 it has granted loans and advances aggregating to INR 4,722.34 Lacs (31st March 2023: INR 4,236.49 Lacs) to IEEFL. As at 31st March 2024, the accumulated losses of IEEFL have substantially exceeded its paid-up share capital.

IEEFL has adequate assets in the form of developed and undeveloped land and the redeemable non-convertible debentures are secured by way of mortgage of office premises.

Also IEEFL had filed appeal against the Security Appellate Tribunal Order of refunding monies to investors with return and winding-up of scheme with Supreme Court of India on 4th July 2006. The Hon'ble Supreme Court of India had dismissed the IEEFL's appeal on 26th February 2013. Subsequent to this dismissal, IEEFL approached SEBI with a proposal related to the compliance of the said order vide letter dated 17th May 2013. During personal hearing with SEBI officials on 27th November 2013, pursuant to the above letter, SEBI had called for furnishing additional details which have been duly complied with vide letter dated 13th December 2013. Pursuant to this, IEEFL has initiated actions in line with the aforesaid meetings with SEBI officials and letters submitted to SEBI.

Subsequent to SEBI order of 30th December 2015, for closer of the CIS Scheme (which inter-alia included directions to refund INR 2,006 Lacs to investors, as per the earlier order of 27th November 2003), IEEFL was granted a personal hearing on 3rd February 2016 and additional information called for was submitted on 23rd March 2016. IEEFL has requested permission to wind up the scheme in terms of rule 73(1) to (9) of CIS Regulation as it has completed all obligations towards the investors, i.e., sale of lands and development and maintain the lands then after as per the agreements.

As SEBI refused to accede to IEEFL's request has preferred a fresh appeal at Securities Appellate Tribunal (SAT) on 9th February 2017 no (1) 40 Of 2017 - citing practical difficulties in execution of the SEBI order to refund to all investors as investors have already received their lands / refunds as per the agreements.

IEEFL's plea in SAT is for issuing suitable directions to SEBI for verifying the documentary proofs submitted by IEEFL for conveying of lands, refunds made and thereafter calling outstanding claims, if any, and thereafter declaring wind up of the scheme in terms of the CIS Regulations. Appeal has been already admitted by SAT and certain hearings have also taken place.

The appeal was heard and vide order dated 18th October 2019 SAT has dismissed the appeal. The IEEFL had filed a review petition before the SAT, Mumbai on 3rd December 2019 for correction of factual errors in the said order. Further, based on the legal advice, pending final order from SAT on the review petition, an appeal is filed in the Supreme Court against order of SAT on 18th February 2020. As per the SAT hearing dated 19th March 2021, it was held that, there is not an error apparent on the face of the record and thus review application filed was dismissed by SAT. As such the appeal is set aside against IEEFL and further vide order No. 2853/2021 dated 6th December 2021, the Supreme Court has granted liberty to IEEFL to approach Securities and Exchange Board of India and request for reconsideration of the matter by producing additional material. IEEFL has filed additional documents through its advocates vide letter dated 2nd March 2022. Further SEBI vide letter dated 17th May 2022 has made certain observations and has advised IEEFL to provide for additional comments/documents, which were submitted through their advocate vide letter dated 12th July 2022. Thereafter SEBI has appointed forensic auditor who is examining the documents and records of the IEEFL in order to submit his report to SEBI. Further the queries of the said auditor have been addressed by IEEFL's counsel. Based on the report submitted by the auditor to SEBI, SEBI has sought certain clarifications from IEEFL and the same has been complied therewith. SEBI vide letter dated 16th May 2024 has directed IEEFL to deposit an amount of INR 2,202 Lacs towards repayment of money to the Investors. IEEFL has sought legal opinion in the matter and further steps are being taken as advised.

The management is of the opinion, that there is no diminution, other than temporary, in the value of investments and the advances are fully recoverable. Hence presently no provision is considered necessary.

- (b) Further, book values of certain other long-term investments in subsidiaries measured at cost, aggregating to INR 3,306.57 Lacs (31st March 2023: INR 3,145.10 Lacs) are lower than its cost. The company has also granted loans and advances to these subsidiaries aggregating INR 1,127.46 Lacs (31st March 2023: INR 810.95 Lacs). Considering the strategic and long-term nature of the aforesaid investments, and asset base and business plan of the investee companies; in the opinion of the management the recoverable amount is not less than its carrying amount recognised in the books
45. Capital expenditure incurred on research and development during the year is INR 108.01 Lacs (2022-23: INR 157.09 Lacs). Revenue expenditure of INR 1,024.22 Lacs (2022-23: INR 987.23 Lacs) incurred on research and development has been expensed to the statement of profit and loss under various expense heads. Location wise details are as follows:

INR in Lacs

Nature	2023-24			2022-23		
	Location		Total	Location		Total
	Patancheru	Vashi		Patancheru	Vashi	
Capital expenditure	92.66	15.35	108.01	116.86	40.23	157.09
Revenue expenditure	555.09	469.13	1,024.22	503.14	484.09	987.23

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**46. Lease****Operating Lease**Company as lessor:

The company has entered into commercial property lease of its surplus office. The lease agreement is for 5 years. The lease includes a clause to enable upward revision by 15% after completion of 3 years from the date of commencement of the lease agreement.

Further undiscounted minimum rentals receivable under non-cancellable operating lease are as follows:

	31st March 2024 INR in Lacs	31st March 2023 INR in Lacs
Within one year	156.59	138.60
After one year but not more than five years	134.44	53.60
More than five years	-	-

47. Right-of-use assets

The break-up of lease expenses during the year are as follows

Particulars	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Short-term lease expense	261.68	300.90
Low value lease expense	-	-
Total lease expenses	261.68	300.90

The break-up of Cash outflow on leases during the year are as follows

Particulars	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Repayment of lease liabilities	405.45	467.84
Interest on lease liabilities	154.45	140.51
Short-term lease expense	261.68	300.90
Low value lease expense	-	-
Total cash outflow on leases	821.58	909.25

The break-up of current and non-current lease liabilities are as follows

Particulars	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Current lease liabilities	328.77	312.60
Non-current lease liabilities	872.18	341.48
Total	1,200.95	654.08

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

47. Right-of-use assets (contd...)

The movement in lease liabilities during the year

Particulars	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Balance at the beginning	654.08	657.26
Additions	989.09	468.27
Finance cost accrued during the period	154.45	140.51
Deletions	(36.55)	(3.61)
Payment of lease liabilities	(560.12)	(608.35)
Balance at the end	1,200.95	654.08

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows

Particulars	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Less than one year	424.80	219.97
One to five year	834.82	507.11
More than five year	485.51	179.06
Total	1,745.13	906.14

48. Capital and other commitments

Estimated amount of contracts (net of advances) remaining to be executed on capital account not provided for is INR 18,483.96 Lacs (31st March 2023: INR 525.72 Lacs).

49. Contingent liabilities

Contingent liabilities not provided for:

(a) Guarantee given by the company on behalf of:

- i) Subsidiaries – INR 11,951.41 Lacs (31st March 2023: INR 1,779.36 Lacs)
- ii) Associates – INR 1,100.00 Lacs (31st March 2023: INR 1,100.00 Lacs)
- iii) Others – INR 38.88 Lacs (31st March 2023: INR 38.88 Lacs)

(b) Demand raised by authorities against which the company has filed an appeal.

- i) Income tax – INR Nil (31st March 2023: INR Nil)
- ii) Excise duty – INR 28.58 Lacs (31st March 2023: INR 24.58 Lacs)
- iii) Service tax – INR 632.25 Lacs (31st March 2023: INR 474.88 Lacs)
- iv) Sales tax / VAT – INR 790.33 Lacs (31st March 2023: INR 665.01 Lacs)
- v) GST – INR 65.77 Lacs (31st March 2023: INR Nil)

(c) Claims against the company arising in the course of business not acknowledged as debts (to the extent ascertainable) INR 1,441.94 Lacs (31st March 2023: INR 3,808.66 Lacs).

Note: Future cash outflows/uncertainties, if any, in respect of above are determinable only on receipt of judgments/decisions pending with various forums/authorities.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**50. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 (on the basis of the information and records available with Management)**

	31st March 2024 INR in Lacs	31st March 2023 INR in Lacs
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	4,738.70	5,942.78
Interest due on above	17.06	27.53
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	155.87	138.81
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

51. Capital advance includes amount of INR 25.33 Lacs (31st March 2023: INR 25.33 Lacs) paid for acquiring furnished office premises at Hyderabad, the ownership of which is under legal dispute for which transfer formalities are in progress.

52. Corporate Social Responsibility expenses:

A. Gross amount required to be spent by the group during the year INR 434.90 Lacs (2022-23: INR 356.06 Lacs).

B. Amount approved by the board to spent during the year INR 434.90 Lacs (2022-23: INR 356.06 Lacs).

C. Amount spent during the year ending 31st March 2024:

INR in Lacs

		In cash	Yet to be paid in cash	Total
(i)	Construction / Acquisition of any assets	-	-	-
(ii)	Purpose other than (i) above	434.90	-	434.90
	Total	434.90	-	434.90

Amount spent during the year ending 31st March 2023:

INR in Lacs

		In cash	Yet to be paid in cash	Total
(i)	Construction / Acquisition of any assets	-	-	-
(ii)	Purpose other than (i) above	356.06	-	356.06
	Total	356.06	-	356.06

D. Shortfall at the end of the year: INR Nil (31st March 2023 INR Nil)

E. Reason for shortfall at the end of the year: Not applicable.

F. Nature of CSR activities: Education, Environment, Water, Sanitation, Health and Hygiene.

G. Related party transaction in relation to Corporate Social Responsibility: INR 412.74 Lacs (2022-23: INR 350.58 Lacs)

Majority of the CSR projects under the Ion Exchange umbrella are implemented by Ion Foundation, a company incorporated under Section 8 of the Companies Act, 2013

H. Provision during the year INR Nil (2022-23: INR Nil)

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

53. Ratio Analysis and its elements

Ratio	Numerator	Denominator	31 March 2024	31 March 2023	% change	Explanation to variance in ratio
Current ratio	Current Assets	Current Liabilities	1.59	1.59	0.00%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.04	0.05	20.00%	
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Finance Cost	Debt service = Interest & Lease Payments + Principal Repayments	5.38	6.67	(19.34%)	
Return on Equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	20.82%	23.09%	(9.83%)	
Inventory Turnover ratio	Cost of goods sold	Average Inventory	7.43	7.36	0.95%	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	2.69	3.13	(14.06%)	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.37	2.49	(4.82%)	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	3.15	3.24	(2.78%)	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	9.36%	9.78%	(4.29%)	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	25.34%	27.47%	(7.75%)	
Return on Investment	Interest income from Bank + Change in fair value of investments classified at FVTPL	Average Bank fixed deposits and margin money + Average current Investments	6.15%	4.89%	25.77%	Increase in fixed deposits and change in fair value of investments compared to previous year

54. Details of transactions with companies struck off

Name of Struck off Company	Nature of Transaction with Struck off Company	Balance Outstanding		Relationship with the Struck off company, if any to be disclosed
		As at 31 March 2024 INR in Lacs	As at 31 March 2023 INR in Lacs	
Al Ashraf Bhani Construction Pvt Ltd	Payables	3.04	-	Not applicable
Mallika Insurance Ltd.	Receivables	0.15	-	Not applicable
Prakash Industries Ltd.	Receivables	5.13	5.13	Not applicable
Samay Tiles Ltd.	Receivables	0.63	0.63	Not applicable
Siemac Controls Pvt. Ltd.	Payables	0.37	0.37	Not applicable
Steelman Infratech Pvt. Ltd.	Payables	7.20	7.20	Not applicable
Untt Infratech Pvt. Ltd.	Payables	4.15	-	Not applicable

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**55. Amalgamation**

The scheme of amalgamation of Global Composites And Structural Limited ("Transferor Company No.1"), and Ion Exchange Environment Management Limited ("Transferor Company No.2") with Ion Exchange (India) Limited ("Transferee Company") and their respective shareholders ("Scheme") has been approved by the Mumbai bench of National Company Law Tribunal on 21st February 2024. The scheme has taken effect from the appointed date i.e., 1st April, 2023.

Global Composites And Structural Limited ("Transferor company 1") is a company incorporated on 13th April 2006 under the Companies Act, 1956. The Company is engaged in the manufacturing and selling of fiber glass reinforcements plastic (FRP), FRP piping, PRP Composites, Cable trays, engineering products, vessels/Tanks, designing and structural fabrication of metal and steel structures.

Ion Exchange Environment Management Limited ("Transferor company 2") is a company incorporated on 24th November 2005 under Companies Act, 1956. The company provides single point responsibility of total environmental solutions for industrial and municipal needs for waste water and sewage treatment, solid waste treatment and disposal, hazardous waste management, air pollution control and renewable energy generation. For optimum utilisation of the available resources, the company also executes Effluent Treatment Plants and Sewage Treatment Plants for others on project management charges (PMC) as subcontractor.

The effect of the merger of transferor companies on the amounts of revenue and profit published in previous year are as shown below.

Increase/(Decrease) for the year ended 31 March 2023 in	Transferor company 1 INR in Lacs	Transferor company 2 INR in Lacs
Revenue from operations	16.89	-
Profit/(loss) after tax	(212.80)	254.72

Both the above schemes of merger have been accounted under 'the pooling of interests method' i.e. in accordance with Appendix C of Ind AS 103 – Business Combinations and comparatives have been restated for the merger from the beginning of the previous year i.e. 1st April 2022. Accordingly, the impact of transferor Companies have been included in the standalone financial statements for all the periods presented. The effect of the mergers on the amounts of revenue and profit published in previous year are as shown below

Particulars	As published in previous year INR in Lacs	As restated for the effect of merger INR in Lacs
Revenue from operations	189,216.59	189,233.48
Profit/(loss) after tax	18,471.68	18,513.60

56. Other Statutory Information

- (i) The company do not have any benami property, where any proceeding has been initiated or pending against the group for holding any benami property.
- (ii) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (v) The company have not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vi) The company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

57. Subsequent events

No significant adjusting event occurred between the balance sheet date and date of the approval of these financial statements by the board of directors of the company requiring adjustment or disclosure. Also refer note 59.

58. Information with regard to other matters, as required by Schedule III to the Act is either nil or not applicable to the company for the year.

59. Dividends

	31st March 2024 INR in Lacs	31st March 2023 INR in Lacs
Proposed dividends on equity shares		
For the year 2023-24 - INR 1.50 per share having face value of INR 1 each	2,200.00	-
For the year 2022-23 - INR 12.50 per share having face value of INR 10 each	-	1,833.33
Less: Dividend on treasury shares	(356.04)	(296.70)
	1,843.96	1,536.63

Proposed dividends on equity shares are subject to the approval at the annual general meeting and are not recognised as a liability as at 31st March.

60. The scheme of amalgamation between Ion Exchange Projects And Engineering Limited and Ion Exchange (India) Limited was withdrawn by the company during the year and will be considered for refiling in due course of time.

61. Standards issued but not effective - Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable.

As per our report of even date attached

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

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

GLENN D'SOUZA
Partner
Membership no.: 112554

RAJESH SHARMA
Chairman & Managing Director
DIN - 00515486

M. P. PATNI
Director
DIN - 00515553

MILIND PURANIK
Company Secretary

Place : Mumbai
Date : 29th May 2024

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 29th May 2024

Independent Auditors' Report

To the Members of
Ion Exchange (India) Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Ion Exchange (India) Limited (hereinafter referred to as the "Holding Company") which include financial information of a branch at Bengaluru, IEI Shareholding (Staff Welfare) Trusts – Sixty trusts and HMIL Shareholding (Staff Welfare) Trusts – Seventeen trusts ("trusts") audited by the branch auditor and the respective auditors of the trusts and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates, which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information in which are included the return for the year ended on that date audited by the branch auditor of the Holding Company's branch at Bengaluru (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the branch auditor, trusts auditors, auditors of erstwhile Global Composites And Structurals Limited (hereinafter referred to as 'transferor company') and other auditors on the financial statements of such branch, trusts, transferor company, subsidiaries and associates as were audited by the branch auditor, trusts auditors, auditors of erstwhile Global Composites And Structurals Limited (hereinafter referred to as 'transferor company') and other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2024, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of matter

The auditors of Ion Exchange Enviro Farms Limited (IEEFL), a subsidiary company has mentioned Emphasis of Matter in audit report in respect of the matters stated below:

- (A) The Hon'ble Supreme Court of India has dismissed the company's appeal against the order of securities appellate tribunal for refunding monies to investors with return and for winding up of scheme. Further the companies had submitted relevant details to SEBI and have initiated actions in line with the details submitted to SEBI which in December, 2015 had asked the company to pre deposit amount due to farm owners and close the scheme. The company has submitted that it shall get discharge certificates from balance farm owners within a period of two years from March 2016. As SEBI refused to accede to Company's request, company has preferred a fresh appeal at Securities Appellate Tribunal (SAT) on 9th February 2017- Appeal No. (I) 40 of 2017-citing practical difficulties in execution of the SEBI order for refund to all investors as investors have already received their lands/refunds as per the agreement. Appeal has been already admitted by SAT and certain hearings had taken place from time to time. The appeal was heard and vide order dated 18th October, 2019; SAT has dismissed the appeal. The company has filed a Review Petition before the SAT, Mumbai on 3rd December, 2019 for correction of factual errors in the said order. Further, based on the Legal Advice, pending final order from SAT on the Review Petition, an Appeal is filed in the Supreme Court Against order of SAT on 18th February 2020. As per the SAT hearing dated 19th March 2021, it was held that, there is not an error apparent on the face of the record and thus review application filed was dismissed by SAT. As such the appeal is set aside against the company and further vide order No. 2853/2021 dated 6th December 2021, the Supreme Court has granted liberty to the company to approach Securities and Exchange Board of India and request for reconsideration of the matter by producing additional material. The company has filed representation requesting reconsideration of the matter by filing additional documents through its advocates vide letter dated 2nd March, 2022. Further

SEBI vide letter dated 17th May, 2022 has made certain observations and has advised the Company to provide for additional comments/documents, which were submitted through their advocate vide letter dated 12th July 2022. Thereafter SEBI has appointed M/S. Skvm & Co as a forensic auditor who is examining the documents and records of the company in order to submit his report to SEBI. The company has submitted the required Documents to SEBI's Auditor. Further during the course of audit queries raised by M/S. Skvm & Co have been addressed by the company's counsel. Based on the Report Submitted by the Auditor to SEBI, SEBI has sought certain clarifications from the company and the same has been complied therewith. SEBI vide letter dated 16th May 2024 has directed the company to deposit an amount of Rs. 22.02 crores towards repayment of money to the investors. The Company has sought legal opinion in the matter and further steps are being taken as advised.

- (B) Administrator's Appointment: SEBI had on 25th April 2019 under SEBI (Appointment of Administrator and Procedure for Refunding of Investors) Regulations 2018 had appointed an Administrator for selling the Land at Goa (Quepem) of the Company and recovering the dues however vide Letter dated 30th April 2019. The Company has requested the Recovery Office of SEBI to keep the proceedings in abeyance. Further in view of the above developments the proceedings are in abeyance or on hold as on date.

Our opinion is not modified in respect of these matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, and based on the consideration of reports of branch auditor and other auditors on separate financial statements/ financial information audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition	
See note 3.17, note 31 and note 45 to consolidated financial statements	
The key audit matter	How the matter was addressed in our audit
The arrangement for EPC business contracts includes fixed price contracts. Revenue for such contracts usually extends beyond a reporting period. Contract revenue is measured using the input method or output method for measuring progress and is applied consistently for each performance obligation. - Application of the revenue recognition accounting standard is complex. - In case of the input method, one of the key estimates is total cost-to-completion of these contracts. It is used to determine the percentage of completion of the relevant performance obligation. - This method requires the Group to perform an initial assessment of total estimated cost and further reassess these estimates on a periodic basis, including end of each reporting period. Considering the significant estimate involved in measurement of revenue in EPC business, we have considered measurement of revenue as a key audit matter.	Our audit procedures over estimation of total contract costs and revenue recognition for EPC business included the following: - Assessed the appropriateness of the Group's accounting policies in respect of revenue recognition by comparing with applicable Indian Accounting Standards. - Evaluated the design and tested the implementation and operating effectiveness of internal financial controls by testing a randomly selected sample of transactions. - Evaluated the design, implementation and operating effectiveness of general IT controls, and application controls over the IT systems. We have also tested the manual mitigating controls as appropriate - Examined journal entries posted to revenue to identify unusual or irregular items based on certain high-risk criteria. - For selected sample of contracts, we inspected key contractual terms with signed contracts and assessed revenue recognized in accordance with Ind AS by: - Observed the approval of percentage of completion workings. - For selected samples, tested the forecasted cost to completion, through comparison of costs incurred with project budgets, and executed purchase orders and agreements. Identified significant variations and tested variations resulting into re-estimating the remaining costs to complete the contract.

The key audit matter	How the matter was addressed in our audit
	iii. Compared, on a sample basis, revenue transactions recorded during the year with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts. Also, checked the related revenue, contract costs, evaluation for onerous contracts, contract assets and unearned revenue had been recognised in accordance with the Group's revenue recognition policies. iv. Performed analytical procedures on incurred and estimated contract costs or efforts. It includes assessment of contracts with unusual or negative margins, little or no movement in efforts from previous periods

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual report, but does not include the financial statements and auditor's report thereon. The Holding Company's Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors'/ Board of Trustees Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies/ branch/ Board of Trustees included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/ branch/ trust and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors / Board of Trustees of the companies/ branch/ trusts included in the Group and of its associates are responsible for assessing the ability of each company/ branch/ trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/ Board of Trustees and the respective Management and Board of Directors of its associates either intends to liquidate the Company/ branch/ trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors / Board of Trustees of the companies/ branch/ trusts included in the Group and Board of Directors of its associates are responsible for overseeing the financial reporting process of each company/ branch/ trust.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/ financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/ financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- a) We did not audit the financial statements of 1 branch and 77 trusts, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 4,982.87 Lacs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 13,382.92 Lacs, total net profit after tax (before consolidation adjustment) of Rs. 886.96 Lacs and net cash inflow (before consolidation adjustment) amounting to Rs.99.91 Lacs for the year ended on that date, as considered in the consolidated financial statements.

We did not audit the financial information of the transferor company consequent to its merger into the Holding Company from the appointed date of 1 April 2023 (refer Note 66 to the consolidated financial statements), whose financial information reflect total assets (before consolidation adjustments) of Rs. 660.76 Lacs as at 31 March 2024, total revenue (before consolidation adjustments) of Rs 763.07 Lacs, total net loss after tax (before consolidation adjustments) of Rs 43.58 Lacs and net cash inflows (before consolidation adjustments) of Rs 13.80 Lacs for the year ended on that date, as considered in the consolidated financial statements.

We did not audit the financial statements of 14 subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 52,241.01 Lacs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 26,073.04 Lacs, net profit after tax (before consolidation adjustments) of Rs. 535.44 Lacs and net cash inflows amounting to Rs. 2,338.58 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Holding Company's share of net profit (and other comprehensive income) of Rs. 154.08 Lacs for the year ended 31 March 2024, in respect of 3 associates, whose financial statements have not been audited by us.

These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these transferor company and subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid transferor company and subsidiaries is based solely on the reports of the other auditors.

- b) The financial statements of 1 subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 928.99 Lacs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 1,969.00 Lacs, total net loss after tax (before consolidation adjustments) of Rs. 138.74 Lacs and net cash outflows (before consolidation adjustments) amounting to Rs. 14.73 Lacs for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements and with respect to our reliance on the work done and the reports of the branch auditors and other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements/ financial information of transferor company, subsidiaries, associates, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the matters stated in the paragraph 2 (B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The reports on the accounts of the branch office of the Holding Company audited under Section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with by us in preparing this report.

- d. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements and with the return received from the branch not visited by us.
 - e. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - f. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.
 - g. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B (f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associates, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 48 and 56 to the consolidated financial statements.
 - b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts.
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and associate companies incorporated in India during the year ended 31 March 2024 except for 1 associate company in which unclaimed dividend amounting to Rs. 0.69 Lacs which were required to be transferred to the Investor Education and Protection Fund by the Company is yet to be transferred by the Company.
 - d.
 - (i) The management of the Holding Company and its subsidiary companies, and associate companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and associate companies respectively that, to the best of their knowledge and belief, as disclosed in the Note 69(iv) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies and associate companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary companies and associate companies incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management of the Holding Company and its subsidiary companies, and associate companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and associate companies respectively that, to the best of their knowledge and belief, as disclosed in the Note 69(v) to the consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies and associate companies incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies and associate companies incorporated in India shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement
 - e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous years, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 72 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

The subsidiary companies and associate companies incorporated in India have neither declared nor paid any dividend during the year.

- f. Based on our examination which includes test checks, and as communicated by the respective auditors of 5 subsidiaries, except for instances mentioned, the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act, have used accounting softwares for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility except in case of the Holding Company and 3 subsidiaries incorporated in India, audit trail was not enabled at the database level. Further, where the audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of audit trail feature being tampered with.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and associate companies which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies and associate companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies and associate companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Glenn D'souza

Partner

Membership No. 112554

ICAI UDIN: 24112554BKGFW6936

Place : Mumbai

Date : 29 May 2024

**Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements
of Ion Exchange (India) Limited for the year ended 31 March 2024
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section
of our report of even date))**

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Ion Exchange (India) Limited	L74999MH1964PLC014258	Holding	3(i)(c); 3(iii)(a); 3(iii)(c); 3(iii)(f); 3(vii-b)
2	Ion Exchange Enviro Farms Ltd	U01110MH1995PLC091478	Subsidiary	3(xvii); 3(xix)
3	Ion Exchange Projects And Engineering Limited	U74200MH2011PLC216024	Subsidiary	3(vii-b); 3(xvii)
4	Aquanomics Systems Limited	U67120MH1994PLC080387	Associate	3(ii-b); 3(vii-a); 3(vii-b);

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

Place : Mumbai
Date : 29 May 2024

Glenn D'souza
Partner
Membership No. 112554
ICAI UDIN:24112554BKGFNW6936

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Ion Exchange (India) Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Ion Exchange (India) Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies and its associate companies, as of that date.

In our opinion and based on the consideration of report of the branch auditor and other auditors on internal financial controls with reference to financial statements/ financial informations of branch, transferor company, subsidiary companies and associate companies, as were audited by the branch auditor and other auditors, the Holding Company (including its branch at Bengaluru and transferor company) and such companies incorporated in India which are its subsidiary companies and its associate companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the branch, transferor company, relevant subsidiary companies and associate companies in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one branch, transferor company, six subsidiary companies and two associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of above matters.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Glenn D'souza

Partner

Membership No. 112554

ICAI UDIN:24112554BKGFW6936

Place : Mumbai

Date : 29 May 2024

CONSOLIDATED BALANCE SHEET as at 31st March 2024

	Notes	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	30,180.04	17,071.25
(b) Right-of-use assets	5	3,831.22	3,428.84
(c) Capital work-in-progress	6	6,067.95	4,194.65
(d) Goodwill	62,65	1,020.62	863.10
(e) Other intangible assets	7	1,621.90	178.27
(f) Investment accounted using equity method	8	624.37	481.94
(g) Financial assets			
(i) Investments	9	545.26	469.90
(ii) Trade receivables	10	417.75	451.99
(iii) Loans	11	-	-
(iv) Other financial assets	12	1,581.50	1,544.39
(h) Deferred tax assets (Net)	13	845.76	1,159.83
(i) Non current tax assets (Net)	14	60.61	184.00
(j) Other non current assets	15	3,075.77	1,195.60
Total non-current assets		49,872.75	31,223.76
Current assets			
(a) Inventories	16	23,653.69	22,225.87
(b) Financial assets			
(i) Investments	17	53.61	31.71
(ii) Trade receivables	10	93,478.04	69,679.25
(iii) Cash and cash equivalents	18	15,363.67	17,535.55
(iv) Bank balances other than (iii) above	19	43,425.95	37,261.33
(v) Loans	11	790.16	1,523.46
(vi) Other financial assets	12	1,598.60	1,510.26
(c) Current tax assets (Net)	14	107.09	3.61
(d) Other current assets	15	16,592.96	13,019.70
Total current assets		195,063.77	162,790.74
Total assets		244,936.52	194,014.50
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	20	1,422.88	1,422.88
(b) Other equity	21	100,367.79	81,926.23
Equity attributable to owners		101,790.67	83,349.11
Non-controlling interests		189.96	230.90
Total equity		101,980.63	83,580.01
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	10,905.36	1,567.56
(ii) Lease liabilities		1,103.50	341.48
(iii) Other financial liabilities	23	1,456.79	872.50
(b) Provisions	24	2,613.03	2,389.45
(c) Deferred tax liabilities (Net)	13	931.19	77.36
(d) Other non-current liabilities	25	37.64	50.75
Total non-current liabilities		17,047.51	5,299.10
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	27	2,852.69	3,680.88
(ii) Lease liabilities		379.56	333.42
(iii) Trade payables	28		
- Total outstanding dues of micro and small enterprises		4,973.50	6,087.26
- Total outstanding dues of creditors other than micro and small enterprises		64,489.06	49,038.04
(iv) Other financial liabilities	29	6,332.88	4,034.56
(b) Other current liabilities	30	45,440.29	40,707.01
(c) Provisions	24	838.67	662.52
(d) Current tax liabilities (Net)	26	601.73	591.70
Total current liabilities		125,908.38	105,135.39
Total liabilities		142,955.89	110,434.49
Total equity and liabilities		244,936.52	194,014.50
Material accounting policies	3		

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

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

Glenn D'souza
Partner
Membership no.: 112554

Place : Mumbai
Date : 29th May 2024

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

RAJESH SHARMA
Chairman & Managing Director
DIN - 00515486

VASANT NAIK
Chief Financial Officer

M. P. PATNI
Director
DIN - 00515553

MILIND PURANIK
Company Secretary

Place : Mumbai
Date : 29th May 2024

STATEMENT OF CONSOLIDATED PROFIT AND LOSS for the year ended 31st March 2024

	Notes	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Income			
Revenue from operations	31	234,784.92	198,960.93
Other income	32	4,388.38	4,106.84
Total Income (I)		239,173.30	203,067.77
Expenses			
Cost of materials consumed	33	137,463.35	118,152.66
Purchases of stock-in-trade	34	9,062.40	7,053.54
Change in inventories of finished goods, work-in-progress and stock-in-trade	35	(56.75)	(949.54)
Employee benefits expense	36	29,654.90	23,626.37
Finance costs	37	1,206.20	919.98
Depreciation and amortisation expenses	38	3,640.51	2,908.67
Other expenses	39	31,467.36	25,579.22
Total expenses (II)		212,437.97	177,290.90
Profit before tax, before share of profit / (loss) of equity accounted investee (I - II)		26,735.33	25,776.87
Share of profit / (loss) of equity accounted investee (net of income tax)		154.08	93.43
Profit from operations before income tax		26,889.41	25,870.30
Tax expense	40		
Current tax		7,098.80	6,467.63
Deferred tax	13	255.37	(93.96)
Total tax expense		7,354.17	6,373.67
Profit after tax (III)		19,535.24	19,496.63
Other Comprehensive Income	41		
Items that will not be reclassified to profit or loss			
(a) Remeasurement benefit of defined benefit plans		(125.80)	(336.03)
(b) Income tax expense on remeasurement benefit of defined benefit plans		29.73	79.17
Items that will be reclassified to profit or loss			
Movement in foreign currency translation reserve		68.33	90.57
Total Other Comprehensive Income (IV)		(27.74)	(166.29)
Total Comprehensive Income (III + IV)		19,507.50	19,330.34
Profit attributable to:			
Owners of the company		19,601.82	19,674.18
Non-controlling interests		(66.58)	(177.55)
Profit for the year		19,535.24	19,496.63
Other Comprehensive Income attributable to :			
Owners of the company		(28.83)	(208.87)
Non-controlling interests		1.09	42.58
Other Comprehensive Income for the year		(27.74)	(166.29)
Total Comprehensive Income attributable to :			
Owners of the company		19,572.99	19,465.31
Non-controlling interests		(65.49)	(134.97)
Total Comprehensive Income for the year		19,507.50	19,330.34
Earnings per equity share: [Nominal value of shares INR 1 (2022-23: INR 1)]	42		
Basic (in INR)		16.534	16.595
Diluted (in INR)		16.534	16.595
Material accounting policies	3		
The accompanying notes are an integral part of the consolidated financial statements			

As per our report of even date attached

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

Glenn D'souza
Partner
Membership no.: 112554

Place : Mumbai
Date : 29th May 2024

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

RAJESH SHARMA
Chairman & Managing Director
DIN - 00515486

VASANT NAIK
Chief Financial Officer

M. P. PATNI
Director
DIN - 00515553

MILIND PURANIK
Company Secretary

Place : Mumbai
Date : 29th May 2024

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY for the year ended 31st March 2024**A. Equity share capital**

	As at 31st March 2024		As at 31st March 2023	
	Number of shares	INR in Lacs	Number of shares	INR in Lacs
Issued, subscribed and fully paid-up equity shares outstanding at the beginning of the year *	14,228,785	1,422.88	14,228,785	1,422.88
Add: On split of shares **	128,059,065	-	-	-
Add: Shares issued during the year	-	-	-	-
Issued, subscribed and fully paid-up equity shares outstanding at the end of the year	142,287,850	1,422.88	14,228,785	1,422.88

* Issued, subscribed and fully paid-up shares are net of elimination of shares held by subsidiaries.

** The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity Shares of face value of INR 1 each with effect from 12th June 2023 (record date).

B. Other equity (Refer note 21)

	Attributable to owners										Attributable to Non-controlling interest		Total
	Reserves and Surplus						Other Comprehensive Income		Treasury Shares (Refer note 21)		Total attributable to owners		
	Security premium	Special reserve	General reserve	Legal reserve	Capital reserve on consolidation	Retained earnings	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs		
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	
Balance as at 1st April 2022	8,334.84	22.17	2,719.79	151.54	257.48	55,199.58	270.45	(2,812.64)	64,143.21	(82.70)	64,060.51		
Profit for the year (a)	-	-	-	-	-	19,674.18	-	-	19,674.18	(177.55)	19,496.63		
Other Comprehensive Income (b)	-	-	-	-	-	(256.86)	47.99	-	(208.87)	42.58	(166.29)		
Total comprehensive income for the year (a+b)	-	-	-	-	-	19,417.32	47.99	-	19,465.31	(134.97)	19,330.34		
Adjustment on change in investment in subsidiaries	-	-	-	-	-	(496.77)	-	-	(496.77)	357.87	(138.90)		
Additional investments	-	-	-	-	-	-	-	-	-	-	136.50		
Dividend paid	-	-	-	-	-	(1,185.52)	-	-	(1,185.52)	(45.80)	(1,231.32)		
Balance as at 31st March 2023	8,334.84	22.17	2,719.79	151.54	257.48	72,934.61	318.44	(2,812.64)	81,926.23	230.90	82,157.13		
Balance as at 1st April 2023	8,334.84	22.17	2,719.79	151.54	257.48	72,934.61	318.44	(2,812.64)	81,926.23	230.90	82,157.13		
Profit / (Loss) for the year (c)	-	-	-	-	-	19,601.82	-	-	19,601.82	(66.58)	19,535.24		
Other Comprehensive Income (d)	-	-	-	-	-	(96.07)	67.24	-	(28.83)	1.09	(27.74)		
Total comprehensive income for the year (c+d)	-	-	-	-	-	19,505.75	67.24	-	19,572.99	(65.49)	19,507.50		
Adjustment on change in investment in subsidiaries	-	-	-	-	-	365.72	(15.25)	-	350.47	-	350.47		
Additional investments	-	-	-	-	-	-	-	-	-	87.56	87.56		
Dividend paid	-	-	-	-	-	(1,481.90)	-	-	(1,481.90)	(63.01)	(1,544.91)		
Balance as at 31st March 2024	8,334.84	22.17	2,719.79	151.54	257.48	91,324.18	370.43	(2,812.64)	100,367.79	189.96	100,557.75		

As per our report of even date attached

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

Glenn D'souza
Partner
Membership no.: 112554

Place : Mumbai
Date : 29th May 2024

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

RAJESH SHARMA
Chairman & Managing Director
DIN - 00515486

VASANT NAIK
Chief Financial Officer

M. P. PATNI
Director
DIN - 00515553

MILIND PURANIK
Company Secretary

Place : Mumbai
Date : 29th May 2024

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March 2024

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
A. Cash flow from operating activities:		
Profit before tax, before share of profit / (loss) of equity accounted investee	26,735.33	25,776.87
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	3,640.51	2,908.67
(Profit) / Loss on property, plant and equipment sold / discarded (Net)	(26.45)	30.38
Finance cost	1,206.20	919.98
Dividend income	(4.43)	(2.33)
Interest income	(3,449.51)	(2,815.71)
Provision for doubtful debts / bad debts written off	542.77	332.06
Doubtful advances / claims written off	240.47	170.22
Change in fair value of investments	(21.90)	(0.05)
Unrealised exchange loss / (gain)	69.57	(142.74)
Operating profit before working capital changes	28,932.56	27,177.35
Movements in working capital:		
(Increase) / Decrease in inventories	291.33	(4,129.88)
(Increase) / Decrease in trade receivables	(22,755.45)	(18,929.28)
(Increase) / Decrease in loans	492.83	318.42
(Increase) / Decrease in other current assets	(3,124.62)	(3,935.36)
(Decrease) / Increase in trade payables	11,350.10	2,780.78
(Decrease) / Increase in other financial liabilities	515.00	516.91
(Decrease) / Increase in other current liabilities	4,532.47	9,857.83
(Decrease) / Increase in provisions	273.93	83.91
Cash generated from operations	20,508.15	13,740.68
Taxes paid (Net)	(7,513.72)	(7,467.89)
Net cash generated from operating activities (A)	12,994.43	6,272.79
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	(12,033.03)	(5,984.50)
Proceeds from sale of property, plant and equipment	39.61	34.23
Investments made in others	(43.78)	(33.17)
Non-controlling interest acquired	-	(138.90)
Cash outflow on acquisition of subsidiary (Net of cash and equivalent)	(1,159.34)	-
Bank deposit made during the year (with maturity more than three months)	(31,312.36)	(13,559.08)
Bank deposit matured during the year (with maturity more than three months)	25,147.24	12,981.81
Dividend received	4.43	2.33
Interest received	3,352.00	2,656.69
Net cash used in investing activities (B)	(16,005.23)	(4,040.59)
C. Cash flow from financing activities:		
Repayment of borrowings	(4,952.53)	(1,560.57)
Proceeds from borrowings	9,061.21	2,605.10
Payment of lease liability	(642.61)	(642.87)
Equity contribution from non-controlling interest	87.56	136.50
Dividend paid	(1,544.91)	(1,231.32)
Finance cost	(1,172.33)	(837.94)
Net cash generated / (used in) financing activities (C)	836.39	(1,531.10)
Net Increase / (Decrease) in cash and cash equivalents (A)+(B)+(C)	(2,174.41)	701.10
Effect of exchange difference on cash and cash equivalent held in foreign currency	2.53	(73.29)
Cash and cash equivalents as at the beginning of the year	17,535.55	16,907.74
Cash and cash equivalents as at the end of the year	15,363.67	17,535.55

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March 2024 (contd...)**Notes:**

- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.
- Purchase of property, plant and equipment represents additions to property, plant and equipment, and other intangible assets adjusted for movement of capital work-in-progress for property, plant and equipment.
- Cash and cash equivalents excludes the following balances with bank:

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Cash and cash equivalents disclosed under current assets [Note 18]	15,363.67	17,535.55
Other bank balances disclosed under current assets [Note 19]	43,425.95	37,261.33
Total cash and cash equivalents as per Balance Sheet	58,789.62	54,796.88
Less: Other bank balances disclosed under current assets		
On unclaimed dividend account	69.51	69.85
On unclaimed interest on fixed deposits	-	0.16
On deposit account	21,580.63	16,433.68
On margin money account	21,775.81	20,757.64
	43,425.95	37,261.33
Total cash and cash equivalents as per Statement of Cash Flows	15,363.67	17,535.55

4. Changes in liabilities arising from financing activities

	As at 1st Apr 2023 INR in Lacs	2023-24 Net Cash inflow / (outflow) INR in Lacs	Others * INR in Lacs	As at 31st Mar 2024 INR in Lacs
Borrowings (Non current and current)	5,248.44	4,108.68	4,400.93	13,758.05
	5,248.44	4,108.68	4,400.93	13,758.05

	As at 1st Apr 2022 INR in Lacs	2022-23 Net Cash inflow / (outflow) INR in Lacs	Others * INR in Lacs	As at 31st Mar 2023 INR in Lacs
Borrowings (Non-current and current)	4,808.33	1,044.53	(604.42)	5,248.44
	4,808.33	1,044.53	(604.42)	5,248.44

* Includes acquired on acquisition of subsidiary and lease finance availed during the year forming part of lease liabilities

As per our report of even date attached

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

Glenn D'souza
Partner
Membership no.: 112554

Place : Mumbai
Date : 29th May 2024

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

RAJESH SHARMA
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Chief Financial Officer

M. P. PATNI
Director
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MILIND PURANIK
Company Secretary

Place : Mumbai
Date : 29th May 2024

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024

Overview of the group

Ion Exchange (India) Limited (the company) is a public limited company incorporated and domiciled in India. It is listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). This consolidated financial statement comprises the company and its subsidiaries (referred to collectively as 'the group') and the group's interest in associates.

The group offers a wide range of solutions across the water cycle from pre-treatment to process water treatment, waste water treatment, recycle, zero liquid discharge, sewage treatment, packaged drinking water, sea water desalination etc. The group is also engaged in manufacturing resins, speciality chemicals for water and waste water treatment as well as non-water applications. The group's water and environment management solutions extend beyond the industrial sector to homes, hotels, spas, educational institutions, hospitals, laboratories, realty sector, defense establishments and rural communities, providing safe drinking water and a clean environment.

1. Principles of consolidation:

(a) Subsidiaries

Subsidiaries are all entities that are controlled by the Company. Control exists when the Company is exposed to, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases.

(b) Non-controlling interests ("NCI")

Non-controlling interest are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Change in Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(c) Equity accounted investees

The group's interest in equity accounted investees comprises interest in associates and joint ventures. Associates are those entities over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies. Significant influence is presumed to exist when the Company holds more than 20% of the voting power of another entity.

Joint arrangements are those arrangements over which the Company has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Investments in associates and jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. Subsequent to initial recognition, the consolidated financial statements include the group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

(d) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the group's interest in the investee.

(e) The financial statement of the subsidiaries, associates and jointly controlled entity used for consolidation are drawn up to the same reporting date as that of the parent i.e. 31st March 2024.

2.1 Subsidiary companies considered in the consolidated financial statements are:

Name of the company	Country of incorporation	% of Voting power as at	
		31st March 2024	31st March 2023
Aqua Investments (India) Limited	India	99.42	99.42
Watercare Investments (India) Limited	India	99.43	99.43
Ion Exchange Enviro Farms Limited (IEEFL)	India	79.60	79.60
Ion Exchange Asia Pacific Pte. Limited	Singapore	100.00	100.00
IEI Environmental Management (M) Sdn. Bhd. (till 9th March 2024)	Malaysia	-	100.00
Ion Exchange Environment Management (BD) Limited	Bangladesh	100.00	100.00
Ion Exchange LLC	USA	100.00	100.00
Ion Exchange And Company LLC	Oman	51.00	51.00
Ion Exchange Asia Pacific (Thailand) Limited *	Thailand	100.00	100.00
PT Ion Exchange Asia Pacific *	Indonesia	95.00	95.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**2.1 Subsidiary companies considered in the consolidated financial statements are (contd...):**

Name of the company	Country of incorporation	% of Voting power as at	
		31st March 2024	31st March 2023
Ion Exchange WTS (Bangladesh) Limited	Bangladesh	100.00	100.00
Ion Exchange Projects And Engineering Limited	India	99.58	99.58
Global Composites And Structural Limited [See note (a) and (b) below]	India	-	100.00
Total Water Management Services (I) Limited	India	70.19	70.19
Ion Exchange Safic Pty. Limited	South Africa	60.00	60.00
Ion Exchange Purified Drinking Water Private Limited	India	100.00	100.00
Ion Exchange Environment Management Limited [See note (a) and (b) below]	India	-	100.00
Ion Exchange Arabia for Water	Saudi Arabia	60.00	60.00
Ion Exchange Europe LDA	Portugal	99.98	99.98
Mapril - Produtos Químicos e Máquinas Para A Industria, LDA [w.e.f. 22nd June 2023]	Portugal	100.00	-

2.2 The Associates considered in the consolidated financial statements are:

Name of the company	Country of Incorporation	% of Voting power as at	
		31st March 2024	31st March 2023
Aquanomics Systems Limited	India	48.42	48.42
Ion Exchange Financial Products Private Limited **	India	24.02	24.02
Ion Exchange PSS Co. Limited *	Thailand	49.00	49.00

* Holding through subsidiary company – Ion Exchange Asia Pacific Pte. Limited, Singapore.

** Holding through subsidiary companies – Aqua Investments (India) Limited and Watercare Investments (India) Limited.

The principal place of business of all the entities listed above is the same as their respective country of incorporation.

Note:

- (a) Global Composites And Structural Limited, and Ion Exchange Environment Management Limited has amalgamated with Ion Exchange (India) Limited as per scheme of amalgamation approved by the Mumbai bench of National Company Law Tribunal on 21st February 2024. The scheme has taken effect from the appointed date i.e., 1st April, 2023.
- (b) Both the above schemes of merger have been accounted under 'the pooling of interests method' i.e. in accordance with Appendix C of Ind AS 103 – Business Combinations and comparatives have been restated for the merger from the beginning of the previous year i.e. 1st April 2022 in the standalone financials.

3. Material accounting policies**3.1 Statement of compliance**

The consolidated financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time as notified under Section 133 of Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act"), and the guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The consolidated financial statements are authorised for issue by the board of directors of the company at their meeting held on 29th May 2024.

3.2 Basis of preparation

The consolidated financial statements have been prepared on the going concern basis and at historical cost, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The consolidated financial statements includes financials statements of IEI Shareholding (Staff Welfare) Trusts (60 trusts) and HMIL Shareholding (Staff Welfare) Trusts (17 trusts).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

3. Material accounting policies (contd...)

3.3 Current and non-current classification

The operating cycle in case of projects division comprising of turnkey projects which forms a part of engineering segment is determined for each project separately based on the expected execution period of the contract. In case of the other divisions the company has ascertained its operating cycle as twelve months.

The group presents assets and liabilities in the Balance sheet based on current / non-current classification. It has been classified as current or non-current as per the group's normal operating cycle.

3.4 Functional and presentation currency

The consolidated financial statements are presented in Indian rupees, which is also the company's functional currency. All amounts have been rounded off to two decimal places to the nearest lacs, unless otherwise indicated.

3.5 Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (asset)/ liability that are measured at fair value of plan assets less present value of defined benefit obligations.

3.6 Use of estimates

The preparation of the consolidated financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31st March 2024 are as follows:

a) Evaluation of percentage completion

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are technical in nature, concerning, where relevant, the percentage of completion, costs to completion, expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the consolidated financial statements for the period in which such changes are determined.

b) Useful life of property, plant and equipment

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalised. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

c) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

d) The group determines the lease term as non - cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised

e) Expected credit loss (ECL) – Refer note no. 3.15 on Impairment of financial assets

3.7 Measurement of fair values

The group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The group has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**3. Material accounting policies (contd...)****3.7 Measurement of fair values (contd...)**

When measuring the fair value of a financial asset or a financial liability, the group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.8 Property, plant and equipment and depreciation

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/ construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation is provided on straight line basis based on life assigned to each asset in accordance with Schedule II of the Act or as per life estimated by the management based on technical evaluation, whichever is lower, as stated below.

Assets	Useful lives
Road	10 years
Building - Other than factory buildings	30 – 60 years
- Factory buildings	20 – 30 years
Plant and machinery	10 – 15 years
Site equipments	3 years
Furniture and fixtures	10 years
Vehicles	4 – 8 years
Office equipments	3 – 5 years

Freehold land is not depreciated.

In case of certain class of assets, the group uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from those class of assets. The group uses its technical expertise along with historical and industry trends for arriving the economic life of an asset.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the statement of profit and loss.

3.9 Goodwill

Goodwill is measured at cost less any accumulated impairment losses. Goodwill acquired in a business combination is, from the acquisition date, allocated to cash-generating units that are expected to benefit from the combination. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

3.10 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortisation and impairment.

Intangible assets are amortised on a straight-line basis over the estimated useful economic life. The amortisation period and the amortisation method are reviewed at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

3. Material accounting policies (contd...)

3.10 Intangible assets (contd...)

Computer software is amortised on a straight-line basis over the period of 5 years.

Technology acquired is amortised over period of license.

Customer portfolio is amortised over a period of twenty years.

An intangible asset is eliminated from the consolidated financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the statement of profit and loss.

3.11 Impairment

Impairment loss, if any, is provided to the extent the carrying amount of assets or a group of assets (cash generating units) exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal/external factors. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset / or a group of assets (cash generating units) and from its disposal at end of its useful life. In assessing value in use, the present value is discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

The group reviews its carrying value of investments carried at cost and amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

3.12 Foreign currency transactions

Transactions in foreign currencies are recognised at exchange rates prevailing on the transaction dates. Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. Foreign currency monetary items are reported at the year-end rates. Exchange differences arising on reinstatement of foreign currency monetary items are recognised as income or expense in the statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

3.13 Inventories

Inventories are valued at lower of cost and net realizable value.

Cost of raw materials, components, stores and spares are computed on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of work-in-progress includes cost of raw material and components, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is computed on weighted average basis.

Contract cost that has been incurred and relates to the future activity of the contract are recognised as contract work-in-progress as it is probable that it will be recovered from the customer.

Cost of finished goods includes cost of raw material and components, cost of conversion, other costs including manufacturing overheads incurred in bringing the inventories to their present location/ condition. Cost is computed on weighted average basis.

Costs of traded goods are computed on first-in-first-out basis. Cost includes cost of purchases and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.14 Research and development

Capital expenditure on research and development is treated in the same manner as property, plant and equipment. Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured.

3.15 Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the group becomes a party to the contractual provisions of the instrument. The group determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**3. Material accounting policies (contd...)****3.15 Financial instruments (contd...)****A. Financial assets****(i) Initial recognition and measurement**

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset.

The financial assets include debt instruments, equity investments, trade and other receivables, loans, cash and bank balances and derivative financial instruments.

(ii) Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

a) At amortised cost.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) At fair value through other comprehensive income (FVTOCI).

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) At fair value through profit or loss (FVTPL).

A financial asset which is not classified in any of the above categories are measured at FVTPL.

(iii) Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in subsidiaries, associates and joint venture carried at deemed cost. Deemed cost is the carrying amount under the previous GAAP as at the transition date i.e. 1st April 2016.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognised in profit or loss. The group may make an irrevocable election to present in OCI subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

However, the group may transfer the cumulative gain or loss within equity.

(iv) Impairment of financial assets

The group assesses impairment based on expected credit losses (ECL) model for the following:

Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

Other financial assets such as deposits, advances etc., the group follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition.

As a practical expedient, the group uses the provision matrix to determine impairment loss allowance on the trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and its adjusted forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) during the period is recognised as other expense in the statement of profit and loss.

(v) De-recognition of financial assets

The group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

3. Material accounting policies (contd...)

3.15 Financial instruments (contd...)

B. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value measured on initial recognition of financial liabilities.

The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, derivative financial instruments, etc.

(ii) Classification and subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified in two categories:

- a) Financial liabilities excluding derivative financial instruments at amortised cost, and
- b) Derivative financial instruments at fair value through profit or loss (FVTPL).

- Financial liabilities excluding derivative financial instruments at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- Derivative financial instruments

The group uses derivative financial instruments, such as forward currency contracts. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting period. Any changes therein are generally recognised in the profit and loss account.

(iii) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the statement of profit and loss.

3.16 Retirement and other employee benefits

- (i) Retirement benefit in the form of provident fund managed by Government Authorities and Superannuation Fund are defined contribution scheme and the contribution is charged to the statement of profit and loss for the year when the contribution to the respective fund is due. There is no other obligation other than the contribution payable.
- (ii) Provident Fund scheme managed by trust set up by the group is a defined benefit plan. Employee benefits, in form of contribution to provident fund managed by such trust, is charged to the statement of profit and loss as and when the related services are rendered. The deficit, if any, in the accumulated corpus of the trust is recognised in the statement of profit and loss based on actuarial valuation.
- (iii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit method made at the end of each financial year. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI).
- (iv) Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.
- (v) Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit method made at the end of each financial year. The group presents the leave liability as non-current in the balance sheet, to the extent it has an unconditional right to defer its settlement for a period beyond 12 months, balance amount is presented as current.

3.17 Revenue recognition

Revenue from sale of goods is recognised at the point in time when control of the assets is transferred to the customer, generally on delivery of the goods.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the group expects to receive in exchange for those products or services.

Revenue related to fixed price maintenance and support services contracts where the group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**3. Material accounting policies (contd...)****3.17 Revenue recognition (contd...)**

Revenue is recognized over time as the services are provided. The stage of completion for determining the amount of revenue to recognize is assessed based on survey of the work performed.

In respect of fixed-price construction contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts and incentives, if any, as specified in the contract with the customer.

Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The group disaggregates revenue from contracts with customers into categories that depict the nature of services and geography.

Use of significant judgements in revenue recognition

- The group's contracts with customers could include promises to transfer multiple products and services to a customer. The group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The group uses judgement to determine an appropriate standalone selling price for a performance obligation. The group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price construction contract is recognised using percentage-of-completion method. The group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

Dividend income is recorded when the right to receive payment is established.

Interest income is recognised using the effective interest method. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

3. Material accounting policies (contd...)

3.18 Service concession arrangement

The group has recognised its rights under the service concession as receivable under service concession arrangement for contracts with government agencies for public sector infrastructure assets and services under Built Own Operate Transfer (BOOT) scheme.

3.19 Taxation

- (i) Provision for current taxation has been made in accordance with the Income tax laws prevailing for the relevant assessment years.
- (ii) Deferred tax is recognised, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Un-recognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation.

3.20 Provisions and contingent liabilities

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

3.21 Earnings per share

Basic earnings per equity share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity Shares of face value of INR 1 each with effect from 12th June 2023 (record date). The basic and diluted earnings per share for the previous year has been restated to give effect of the share split as per Ind AS 33.

For calculating the weighted average number of equity shares outstanding, 23,689,390 (2022-23: 23,689,390) equity shares and 46,750 (2022-23: 46,750) equity shares are being excluded on consolidation of equity shares held by IEI Shareholding (Staff Welfare) Trusts and HMIL Shareholding (Staff Welfare) Trusts respectively.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.22 Segment reporting policies

Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman and Managing Director who makes strategic decisions.

Inter-segment Transfers

The group accounts for inter-segment sales and transfers at cost plus appropriate margin.

Allocation of common costs

Common allocable costs are allocated to each segment according to the turnover of the respective segments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**3. Material accounting policies (contd...)****3.22 Segment reporting policies (contd...)**Unallocated costs

The unallocated segment includes general corporate income and expense items which are not allocated to any business segment.

Segment policies

The group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the group as a whole.

3.23 Cash and cash equivalents:

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

3.24 Leases:Where the group is the lessor

Leases in which the group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets given on operating leases by the group are included in property, plant and equipment. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

Where the group the lessee

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is accounted at the lease commencement date.

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred.

The lease liability is initially measured at the present value of the lease payments, discounted using the group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated amortisation and cumulative impairment, if any. The right-of-use asset is amortised, using the straight-line method over the period of lease, from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- (i) Low value leases; and
- (ii) Leases which are short-term.

3.25 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset till such time that it is required to complete and prepare the assets to get ready for its intended use. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.26 Dividend payable

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the group's board of directors. A corresponding amount is recognised directly in equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)
4. Property, plant and equipment
INR in Lacs

	Land (Freehold) (Refer note a)	Road	Building on freehold land (Refer note b,c,d and e)	Building on leasehold land	Plant and machinery	Furniture and fixtures	Vehicles	Office equipments	Total
Gross block									
As at 1st April 2023	367.80	207.40	4,523.98	3,791.97	15,403.68	906.79	666.53	2,106.30	27,974.45
Addition on business combination (Refer note 65)	3,525.59	-	2,949.76	-	1,600.61	-	161.42	134.07	8,371.45
Addition during the year	-	176.61	218.68	1,156.63	4,246.91	286.84	239.74	1,034.48	7,359.89
Disposal during the year	-	-	27.75	2.09	59.36	5.86	-	73.89	168.95
Exchange gain / (loss)	21.14	-	28.20	(0.13)	12.50	(0.24)	1.95	1.94	65.36
As at 31st March 2024	3,914.53	384.01	7,692.87	4,946.38	21,204.34	1,187.53	1,069.64	3,202.90	43,602.20
Depreciation / Amortisation									
As at 1st April 2023	-	78.80	666.78	893.64	6,873.73	446.41	504.91	1,438.93	10,903.20
Depreciation during the year	-	23.93	208.44	183.31	1,543.64	91.76	108.52	529.74	2,689.34
Deduction during the year	-	-	26.55	2.09	49.25	5.86	-	72.04	155.79
Exchange gain / (loss)	-	-	(20.09)	(0.08)	3.60	(0.21)	1.03	1.16	(14.59)
As at 31st March 2024	-	102.73	828.58	1,074.78	8,371.72	532.10	614.46	1,897.79	13,422.16
Net carrying value as at 31st March 2024	3,914.53	281.28	6,864.29	3,871.60	12,832.62	655.43	455.18	1,305.11	30,180.04
Gross block									
As at 1st April 2022	342.64	111.60	4,166.49	3,680.35	12,116.44	790.41	549.99	1,562.88	23,320.80
Addition during the year	25.16	95.80	357.49	113.53	3,385.50	117.61	102.65	549.10	4,746.84
Disposal during the year	-	-	-	-	100.27	0.82	9.44	5.70	116.23
Exchange gain / (loss)	-	-	-	(1.91)	2.01	(0.41)	23.33	0.02	23.04
As at 31st March 2023	367.80	207.40	4,523.98	3,791.97	15,403.68	906.79	666.53	2,106.30	27,974.45
Depreciation / Amortisation									
As at 1st April 2022	-	60.61	527.72	732.23	5,696.08	371.91	436.57	1,035.63	8,860.75
Depreciation during the year	-	18.19	139.06	162.49	1,214.90	75.10	56.82	406.67	2,073.23
Deduction during the year	-	-	-	-	38.99	0.48	9.44	4.37	53.28
Exchange gain / (loss)	-	-	-	(1.08)	1.74	(0.12)	20.96	1.00	22.50
As at 31st March 2023	-	78.80	666.78	893.64	6,873.73	446.41	504.91	1,438.93	10,903.20
Net carrying value as at 31st March 2023	367.80	128.60	3,857.20	2,898.33	8,529.95	460.38	161.62	667.37	17,071.25

Notes

- Freehold land includes land at Pune and Tamil Nadu, the title deeds of which are in the name of the nominees of the company.
Gross book value INR 27.44 Lacs (31st March 2023: INR 27.44 Lacs)
- Buildings on freehold land includes residential flats, the cost of which includes:
 - INR 250 (31st March 2023: INR 250) being the value of 5 Shares (unquoted) of INR 50 each, fully paid up in Sunrise Co-operative Housing Society Limited.
 - INR 3,500 (31st March 2023: INR 3,500) being the value of 70 Shares (unquoted) of INR 50 each, fully paid up in Usha Milan Co-operative Society Limited.
- Buildings on freehold land includes residential flats acquired at Mumbai, the society formation of which is in progress.
Deemed gross book value INR 41.15 Lacs (31st March 2023: INR 41.15 Lacs)
Net book value INR 32.85 Lacs (31st March 2023: INR 33.88 Lacs)
- Buildings on freehold land includes residential flats comprising of 2 LIG flats (Nos. B-16 and B-17) and 1 MIG flat (No. B-14) at Hosur, the title deeds of which are awaited from authorities.
Deemed gross book value INR Nil (31st March 2023: INR Nil)
Net book value INR Nil (31st March 2023: INR Nil)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**4. Property, plant and equipment (contd...)**

- e) Buildings on freehold land includes office premises given on operating lease :
 Deemed gross book value INR 104.74 Lacs (31st March 2023: INR 104.74 Lacs)
 Accumulated depreciation INR 16.11 Lacs (31st March 2023: INR 16.11 Lacs)
 Depreciation for the year INR 2.30 Lacs (2022-23: INR 2.30 Lacs)
 Net book value INR 88.63 Lacs (31st March 2023: INR 86.33 Lacs)
- f) Addition to Property, plant and equipment includes amount of INR 108.01 Lacs (2022-23: INR 157.09 Lacs) pertaining to research and development.
- g) Certain property, plant and equipment are given as security for borrowings, the details relating to which have been described in note 22 and note 27.

5. Right-of-use assets

	INR in Lacs					
	Land	Building	Plant and machinery (Refer note a)	Vehicle	Office equipments (Refer note a)	Total
Gross block						
As at 1st April 2023	1,523.80	1,062.78	3,162.89	9.18	250.73	6,009.38
Addition during the year	311.27	985.60	-	-	-	1,296.87
Disposal during the year	-	341.29	4.20	-	42.00	387.49
Exchange gain / (loss)	-	(3.51)	(0.23)	-	-	(3.74)
As at 31st March 2024	1,835.07	1,703.58	3,158.46	9.18	208.73	6,915.02
Depreciation / Amortisation						
As at 1st April 2023	63.47	482.88	1,808.09	2.78	223.32	2,580.54
Depreciation during the year	66.39	381.18	410.35	1.15	3.81	862.88
Deduction during the year	-	310.40	4.20	-	42.00	356.60
Exchange gain / (loss)	-	(2.79)	(0.23)	-	-	(3.02)
As at 31st March 2024	129.86	550.87	2,214.01	3.93	185.13	3,083.80
Net carrying value as at 31st March 2024	1,705.21	1,152.71	944.45	5.25	23.60	3,831.22
Gross block						
As at 1st April 2022	1,481.46	696.76	3,163.52	9.18	291.73	5,642.65
Addition during the year	42.34	471.67	-	-	-	514.01
Disposal during the year	-	92.20	-	-	41.00	133.20
Exchange gain / (loss)	-	(13.45)	(0.63)	-	-	(14.08)
As at 31st March 2023	1,523.80	1,062.78	3,162.89	9.18	250.73	6,009.38
Depreciation / Amortisation						
As at 1st April 2022	30.39	336.14	1,336.23	1.63	243.60	1,947.99
Depreciation during the year	33.08	243.27	472.49	1.15	20.72	770.71
Deduction during the year	-	88.26	-	-	41.00	129.26
Exchange gain / (loss)	-	(8.27)	(0.63)	-	-	(8.90)
As at 31st March 2023	63.47	482.88	1,808.09	2.78	223.32	2,580.54
Net carrying value as at 31st March 2023	1,460.33	579.90	1,354.80	6.40	27.41	3,428.84

Note

- a) Finance lease obligations are secured by hypothecation of under lying plant and machinery and equipment's taken on lease. Lease obligations are discharged by monthly / quarterly lease rental payments. The lease terms are for 2 to 4 years.
- b) All the leases are registered in the name of the company / group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

6. Capital work-in-progress

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
As at 1st April	4,194.65	2,003.57
Addition during the year	8,086.77	5,687.79
Capitalisation / deductions during the year	6,213.47	3,496.71
As at 31st March	6,067.95	4,194.65

Capital work in progress ageing schedule

As at 31st March 2024

	Amount in capital work in progress for a period of				Total
	Less than 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	INR in Lacs
Projects in progress	5,719.77	304.21	43.97	-	6,067.95
Projects temporarily suspended	-	-	-	-	-
	5,719.77	304.21	43.97	-	6,067.95

As at 31st March 2023

	Amount in capital work in progress for a period of				Total
	Less than 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	INR in Lacs
Projects in progress	2,912.89	1,118.28	150.33	13.15	4,194.65
Projects temporarily suspended	-	-	-	-	-
	2,912.89	1,118.28	150.33	13.15	4,194.65

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

7. Other intangible assets

	INR in Lacs			
	Computer Software	Technology	Customer Portfolio	Total
Gross block				
As at 1st April 2023	557.88	-	-	557.88
Addition on business combination (Refer note 65)	-	-	385.62	385.62
Addition during the year	282.29	864.02	-	1,146.31
Disposal during the year	-	-	-	-
Exchange gain / (loss)	(0.05)	-	0.04	(0.01)
As at 31st March 2024	840.12	864.02	385.66	2,089.80
Amortisation				
As at 1st April 2023	379.61	-	-	379.61
Amortised during the year	73.83	-	14.46	88.29
Deduction during the year	-	-	-	-
Exchange gain / (loss)	(0.04)	-	0.04	-
As at 31st March 2024	453.40	-	14.50	467.90
Net carrying value as at 31st March 2024	386.72	864.02	371.16	1,621.90
Gross block				
As at 1st April 2022	507.61	-	-	507.61
Addition during the year	50.40	-	-	50.40
Disposal during the year	-	-	-	-
Exchange gain / (loss)	(0.13)	-	-	(0.13)
As at 31st March 2023	557.88	-	-	557.88
Amortisation				
As at 1st April 2022	314.95	-	-	314.95
Amortised during the year	64.73	-	-	64.73
Deduction during the year	-	-	-	-
Exchange gain / (loss)	(0.07)	-	-	(0.07)
As at 31st March 2023	379.61	-	-	379.61
Net carrying value as at 31st March 2023	178.27	-	-	178.27

8. Investment accounted using equity method

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
At cost in equity shares of associates		
Unquoted, fully paid-up		
460,000 (31st March 2023: 460,000) equity shares of INR 10 each, fully paid-up in Aquanomics Systems Limited	624.37	481.94
2,450 (31st March 2023: 2,450) equity shares of INR 10 each, fully paid-up in Ion Exchange Financials Products Private Limited	-	-
14,700 (31st March 2023: 14,700) equity shares of THB 100 each, fully paid-up in Ion Exchange PSS Co. Limited	-	-
	624.37	481.94
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	624.37	481.94

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

9. Non-current investments

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Measured at fair value through profit and loss in equity shares of others		
Unquoted, fully paid-up		
6,000 (31st March 2023: 6,000) equity shares of INR 10 each, fully paid-up in IEK Plastics Limited	-	-
113 (31st March 2023: 113) equity shares of INR 10 each, fully paid-up in Patancheru Enviro-tech Limited	0.01	0.01
10,500 (31st March 2023: 10,500) equity shares of INR 10 each, fully paid-up in Bharuch Enviro Infrastructure Limited	1.05	1.05
352,500 (31st March 2023: 352,500) equity shares of INR 10 each, fully paid-up in Bharuch Eco-Aqua Infrastructure Limited	35.25	35.25
121,518 (31st March 2023: 71,518) equity shares of INR 10 each, fully paid-up in GPCL Consulting Services Limited	49.95	27.46
1,000 (31st March 2023: 1,000) equity shares of INR 10 each, fully paid-up in Ion Foundation	0.10	0.10
22,000 (31st March 2023: 11,000) equity shares of INR 10 each, fully paid-up in Haldia Water Services Pvt. Ltd. [Refer note (a) below]	2.20	2.20
7,143 (31st March 2023: 7,143) equity shares of INR 10 each, fully paid-up in Water Quality India Association	0.71	0.71
750 (31st March 2023: 750) equity shares of INR 10 each, fully paid-up in Process Automation Engineering	-	-
100 (31st March 2023: 100) equity shares of INR 25 each, fully paid-up in The Zoroastrian Co-operative Bank Ltd.	0.03	0.03
9,999 (31st March 2023: 9,999) equity shares of INR 10 each, fully paid-up in The Thane Janta Sahakari Bank Ltd.	5.00	5.00
20,000 equity shares of EUR 1 each, fully paid-up in Norgarante	18.05	-
15,000 equity shares of EUR 1 each, fully paid-up in Garval	13.54	-
(A)	125.89	71.81
Measured at amortised cost in preference shares of others		
Unquoted, fully paid-up		
75,000 (31st March 2023: 75,000) 14.25% preference shares of INR 100 each, fully paid-up in HMG Industries Limited.	0.50	0.50
(B)	0.50	0.50
Investments in bonds		
6.5% Bond of Sultante of Oman (Nominal Value USD 500,000)	418.87	397.59
(C)	418.87	397.59
Total non current investments (A+B+C)	545.26	469.90
Aggregate amount of quoted Investments	-	-
Aggregate amount of unquoted Investments	545.26	469.90

Note

(a) 11,000 equity shares are pledged to a non-banking financial company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

10. Trade receivables

	Non-current		Current	
	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Trade receivables				
(a) Unsecured, considered good	417.75	451.99	95,633.63	71,619.55
(b) Unsecured, have significant increase in credit risk	-	-	-	-
(c) Unsecured, credit impaired	68.88	68.88	-	-
	486.63	520.87	95,633.63	71,619.55
Less: Loss allowances	68.88	68.88	2,155.59	1,940.30
	417.75	451.99	93,478.04	69,679.25

Trade receivables ageing schedule

As at 31 March 2024

	Not due INR in Lacs	Outstanding for following periods from due date of payment					Total INR in Lacs
		Less than 6 Months INR in Lacs	6 months - 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	
Undisputed trade receivables - considered good	57,942.95	25,576.89	2,497.21	5,224.85	1,333.84	3,057.89	95,633.63
Undisputed trade receivables - considered good have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	0.26	-	0.25	-	417.24	417.75
Disputed Trade receivables - credit impaired	-	-	-	-	-	68.88	68.88
	57,942.95	25,577.15	2,497.21	5,225.10	1,333.84	3,544.01	96,120.26
Less: Loss allowances							2,224.47
Total							93,895.79

As at 31 March 2023

	Not due INR in Lacs	Outstanding for following periods from due date of payment					Total INR in Lacs
		Less than 6 Months INR in Lacs	6 months - 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	
Undisputed trade receivables - considered good	41,953.84	20,632.40	4,834.40	872.89	1,433.69	1,892.33	71,619.55
Undisputed trade receivables - considered good have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	0.25	0.03	-	451.71	451.99
Disputed Trade receivables - credit impaired	-	-	-	-	-	68.88	68.88
	41,953.84	20,632.40	4,834.65	872.92	1,433.69	2,412.92	72,140.42
Less: Loss allowances							2,009.18
Total							70,131.24

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

11. Loans

		Non-current		Current	
		As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Loans and advances to related parties (Refer note 47)					
(a) Unsecured, considered good		-	-	249.83	321.23
(b) Unsecured, credit impaired		9.00	9.00	-	-
		9.00	9.00	249.83	321.23
Less: Loss allowances		9.00	9.00	-	-
(A)		-	-	249.83	321.23
Claims receivables and others	(B)	-	-	432.08	1,085.78
Loans and advance to employees	(C)	-	-	108.25	116.45
Rent receivable (Unsecured, credit impaired)		17.05	17.05	-	-
Less: Loss allowances		17.05	17.05	-	-
(D)		-	-	-	-
Others - Unsecured, credit impaired					
- Inter corporate deposits		57.07	57.07	-	-
- Other loans and advances		55.07	55.07	-	-
		112.14	112.14	-	-
Less: Loss allowances		112.14	112.14	-	-
(E)		-	-	-	-
(A+B+C+D+E)		-	-	790.16	1,523.46

12. Other financial assets

		Non-current		Current	
		As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Tender, security and other deposits					
(a) Unsecured, considered good		1,192.44	1,083.07	60.63	69.80
(b) Unsecured, credit impaired		24.24	24.24	-	-
		1,216.68	1,107.31	60.63	69.80
Less: Loss allowances		24.24	24.24	-	-
(A)		1,192.44	1,083.07	60.63	69.80
Receivable from concession agreement (Refer note 61)	(B)	389.06	461.32	115.52	115.52
Interest accrued on fixed deposits and margin money	(C)	-	-	1,422.45	1,324.94
(A+B+C)		1,581.50	1,544.39	1,598.60	1,510.26

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

13. Deferred tax assets / liabilities

As at 31st March 2024

INR in Lacs

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Other adjustments *	Closing balance
Deferred tax assets/ (liabilities)					
Property, plant and equipment	(675.93)	(522.00)	-	(817.91)	(2,015.84)
Trade Receivables and retention money	839.56	(46.44)	-	-	793.12
Loans and borrowings	123.74	(23.02)	-	-	100.72
Other items	795.10	336.09	29.73	(124.35)	1,036.57
Tax assets/(liabilities)	1,082.47	(255.37)	29.73	(942.26)	(85.43)

Disclosed as under

Deferred tax assets (Net)	1,159.83	845.76
Deferred tax liabilities (Net)	77.36	931.19
Tax assets/(liabilities)	1,082.47	(85.43)

* Other adjustments includes impact of business combination, change in investments in subsidiary and currency fluctuation on conversion of foreign subsidiaries.

As at 31st March 2023

INR in Lacs

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Other adjustments**	Closing balance
Deferred tax assets/ (liabilities)					
Property, plant and equipment	(907.14)	231.21	-	-	(675.93)
Trade Receivables and retention money	832.58	6.98	-	-	839.56
Loans and borrowings	127.11	(3.37)	-	-	123.74
Other items	857.49	(140.86)	79.17	(0.70)	795.10
Tax assets/(liabilities)	910.04	93.96	79.17	(0.70)	1,082.47

Disclosed as under

Deferred tax assets (Net)	934.04	1,159.83
Deferred tax liabilities (Net)	24.00	77.36
Tax assets/(liabilities)	910.04	1,082.47

** Other adjustments includes currency fluctuation on conversion of foreign subsidiaries.

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

14. Tax assets

	Non-current		Current	
	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Income tax paid (Net of provision for tax)	60.61	184.00	107.09	3.61
	60.61	184.00	107.09	3.61

15. Other assets

		Non-current		Current	
		As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Capital advances (Refer note 58)	(A)	2,195.23	144.10	-	-
Balance with statutory authorities	(B)	319.00	425.50	6,014.66	5,916.20
Advance to suppliers					
(a) Unsecured, considered good		-	-	3,610.44	1,784.89
(b) Unsecured, credit impaired		30.90	30.90	-	-
		30.90	30.90	3,610.44	1,784.89
Less: Loss allowances		30.90	30.90	-	-
	(C)	-	-	3,610.44	1,784.89
Security Deposit for Land and other loans and advances (Refer note 49, 50 and 51)					
(a) Unsecured, considered good		561.54	626.00	-	-
(b) Unsecured, credit impaired		186.78	186.78	-	-
		748.32	812.78	-	-
Less: Loss allowances		186.78	186.78	-	-
	(D)	561.54	626.00	-	-
Prepaid expenses	(E)	-	-	1,348.61	1,286.16
Unbilled Revenue		-	-	5,619.25	4,032.45
	(A+B+C+D+E)	3,075.77	1,195.60	16,592.96	13,019.70

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**16. Inventories**

(valued at lower of cost and net realizable value)

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Raw materials and components	10,259.77	9,297.01
Work-in-progress	2,684.12	2,981.96
Finished goods	7,167.46	6,483.00
Traded goods	1,844.32	1,641.41
Stores and spares	1,617.87	1,230.60
Contract work-in-progress	80.15	591.89
	23,653.69	22,225.87

17. Current investments

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Investments measured at fair value through profit and loss		
Quoted, fully paid-up		
5,875 (31st March 2023: 5,875) equity shares of INR 2 each, fully paid-up in Sterlite Technologies Limited	6.51	8.65
70 (31st March 2023: 70) equity shares of INR 2 each, fully paid-up in Jain Irrigation Systems Limited	0.03	0.02
8,100 (31st March 2023: 8,100) equity shares of INR 10 each, fully paid-up in Canara Bank	47.07	23.04
	53.61	31.71
Aggregate amount of quoted Investments	53.61	31.71
Market value of quoted Investments	53.61	31.71

18. Cash and cash equivalents

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Balances with banks		
On current accounts [Refer note below]	10,161.06	5,691.11
On Exchange Earner's Foreign Currency accounts	13.92	13.73
On deposit account with original maturity period of three months or less	5,089.20	11,600.00
Cash on hand	99.49	230.71
	15,363.67	17,535.55

Note

Includes balance of INR 138.03 Lacs (31st March 2023: INR 140.31 Lacs) in escrow accounts for utilisation in the execution of a specific EPC contract.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

19. Bank balances other than cash and cash equivalents

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Balances with banks		
On Unclaimed dividend account	69.51	69.85
On Unclaimed interest on fixed deposits	-	0.16
Other bank balances:		
On deposit account	21,580.63	16,433.68
On margin money account [Refer note below]	21,775.81	20,757.64
	43,425.95	37,261.33

Note

Margin money deposits with a carrying amount of INR 21,775.81 Lacs (31st March 2023: INR 20,757.64 Lacs) are subject to first charge to secure bank guarantees issued by banks on our behalf.

20. Equity share capital

	As at 31st March 2024		As at 31st March 2023	
	No of shares	INR in Lacs	No of shares	INR in Lacs
Authorised capital				
320,000,000 equity shares of INR 1 each (31st March 2023: 17,000,000 equity shares of INR 10 each).	320,000,000	3,200.00	17,000,000	1,700.00
Issued, subscribed and fully paid-up capital *				
142,287,850 equity shares of INR 1 each (31st March 2023: 14,228,785 equity shares of INR 10 each.).	142,287,850	1,422.88	14,228,785	1,422.88
	142,287,850	1,422.88	14,228,785	1,422.88

* Issued, subscribed and fully paid-up shares are net of elimination of shares held by subsidiaries.

* The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity Shares of face value of INR 1 each with effect from 12th June 2023 (record date).

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31st March 2024		As at 31st March 2023	
	No. of equity shares Face value INR 1	INR in Lacs	No. of equity shares Face value INR 10	INR in Lacs
At the beginning of the year	14,228,785	1,422.88	14,228,785	1,422.88
Add: On split of shares	128,059,065	-	-	-
Add: Issued during the year	-	-	-	-
At the end of the year	142,287,850	1,422.88	14,228,785	1,422.88

(b) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of INR 1 per share (Previous year par value fo INR 10 per share). Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company **

	As at 31st March 2024		As at 31st March 2023	
	No. of equity shares Face value INR 1	% holding	No. of equity shares Face value INR 10	% holding
Mr. Rajesh Sharma	8,249,680	5.80%	824,968	5.80%
Mr. M. P. Patni	7,203,474	5.06%	755,497	5.31%

** As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**20. Equity share capital (contd...)**

- (d) **Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date.**

Nil shares (Previous period of five years ended 31st March 2023: Nil shares)

- (e) **Shares reserved for issue under ESOS**

There are no pending shares reserved for issue under Employee Stock Option Schemes (ESOS).

- (f) **Details of shares held by promoter and promoter group** (excluding shares held by subsidiaries)

As on 31st March 2024

Promoter name	No. of equity shares Face value INR 1	% of total equity shares	% change during the year
Rajesh Sharma	8,249,680	5.80%	0.00%
Mahabir Prasad Patni	7,203,474	5.06%	-0.25%
Dinesh Sharma	6,322,710	4.44%	0.00%
Bimal Jain	3,936,662	2.77%	-0.16%
Aankur Patni	2,952,930	2.08%	0.00%
Uma Gopal Ranganathan	1,720,370	1.21%	-0.05%
Aruna Sharma	1,078,950	0.76%	0.00%
Poonam Sharma	496,500	0.35%	0.00%
Pallavi Sharma	20,000	0.01%	0.00%
Nidhi Patni	10,000	0.01%	0.00%
Nirmala Patni	-	0.00%	-0.06%
Anita Jain	-	0.00%	-0.04%
Vishnu Gopal Ranganathan	1,820,370	1.28%	-0.02%
Ion Exchange Financial Products Pvt. Ltd.	504,220	0.35%	0.00%
	34,315,866	24.12%	-0.58%

As on 31st March 2023

Promoter name	No. of equity shares Face value INR 10	% of total equity shares	% change during the year
Rajesh Sharma	824,968	5.80%	0.00%
Mahabir Prasad Patni	755,497	5.31%	0.00%
Dinesh Sharma	632,271	4.44%	0.00%
Bimal Jain	417,223	2.93%	0.00%
Aankur Patni	295,293	2.08%	0.00%
Uma Gopal Ranganathan	179,037	1.26%	-1.36%
Aruna Sharma	107,895	0.76%	0.00%
Poonam Sharma	49,650	0.35%	0.00%
Pallavi Sharma	2,000	0.01%	0.00%
Nidhi Patni	1,000	0.01%	0.00%
Nirmala Patni	8,300	0.06%	0.00%
Anita Jain	5,546	0.04%	0.00%
Vishnu Gopal Ranganathan	185,537	1.30%	1.30%
Ion Exchange Financial Products Pvt. Ltd.	50,422	0.35%	0.00%
	3,514,639	24.70%	-0.06%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

21. Other equity

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Security premium		
Balance as at 1st April	8,334.84	8,334.84
(A)	8,334.84	8,334.84
Special reserve		
Balance as at 1st April	22.17	22.17
(As per section 45 - IC of the Reserve Bank of India Act, 1934)		
(B)	22.17	22.17
General reserve		
Balance as at 1st April	2,719.79	2,719.79
(C)	2,719.79	2,719.79
Legal reserve		
Balance as at 1st April	151.54	151.54
(D)	151.54	151.54
Capital reserve on consolidation		
Balance as at 1st April	257.48	257.48
(E)	257.48	257.48
Retained earnings		
Balance as at 1st April	72,934.61	55,199.58
Adjustment on change in investment in subsidiaries	365.72	(496.77)
Profit for the year	19,601.82	19,674.18
Other Comprehensive Income (OCI)	(96.07)	(256.86)
Appropriations		
- Dividend	(1,481.90)	(1,185.52)
(F)	91,324.18	72,934.61
Foreign currency translation reserve		
Balance as at 1st April	318.44	270.45
Adjustment on change in investment in subsidiary	(15.25)	-
Add: Foreign currency translation profit during the year	67.24	47.99
(G)	370.43	318.44
Treasury shares		
Balance as at 1st April	(2,812.64)	(2,812.64)
(H)	(2,812.64)	(2,812.64)
(A+B+C+D+E+F+G+H)	100,367.79	81,926.23

Notes

(a) Description of nature and purpose of each reserve

Security premium: Security premium is used to record the premium on issue of shares. Securities premium also includes the difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to employee stock options scheme. The reserve is utilised in accordance with the provisions of the Act.

Special reserve: Special reserve is created by the company in past as per provision of section 45 - IC of the Reserve Bank of India Act, 1934 for repayment of fixed deposit holders.

General reserve: The company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**21. Other equity (contd...)**

Legal reserve: Legal reserve is reserve created in accordance with the Commercial Companies Law of Oman, 1974)

Capital reserve on consolidation: The amount represents capital reserve arising at the time of acquisition.

Foreign currency translation reserve: Exchange difference arising on re-statement of long-term monetary items that in substance forms part of group's net investment in foreign operations, is accumulated in foreign currency translation reserve.

Treasury shares: Treasury shares represents equity shares of the company held by IEI Shareholding (Staff Welfare) Trusts and HMIL Shareholding (Staff Welfare) Trusts.

b) Dividend on equity shares paid during the year (excluding for shares held by subsidiaries)

	31st March 2024 INR in Lacs	31st March 2023 INR in Lacs
Dividend [INR 1.25 per equity share of face value of INR 1 each (2022-23: INR 10.00 per equity share of face value of INR 10 each)]	1,778.60	1,422.88
Less: Dividend on treasury shares	(296.70)	(237.36)
	1,481.90	1,185.52

22. Borrowings

	Non-current		Current	
	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Term loans (Secured)				
Indian rupee loan from financial institution [Refer note (a) and (b) below]	3,647.89	889.00	340.89	375.00
Indian rupee loan from a bank [Refer note (c), (d) and (e) below]	733.68	612.50	-	523.44
Bank loans [Refer note (f) below]	6,405.46	-	1,263.05	-
Indian rupee vehicle loan from banks and finance companies [Refer note (g) below]	-	66.06	-	33.75
Vehicle loan from banks [Refer note (h) below]	118.33	-	27.01	-
	10,905.36	1,567.56	1,630.95	932.19
The above amount includes				
Secured borrowings	10,905.36	1,567.56	1,630.95	932.19
Unsecured borrowings	-	-	-	-
Amount included under the head "Current liabilities - Borrowings" (Refer note 27)	-	-	(1,630.95)	(932.19)
	10,905.36	1,567.56	-	-

Notes

- (a) Indian rupees loan from financial institution for capital expenditure carries interest rate from 8% p.a. to 10.45% p.a., presently @ 9.35% p.a. as on 31st March 2024. The loan is secured by first charge on movable and immovable fixed assets pertaining to Reverse Osmosis Membrane manufacturing facility project at Goa and is repayable in 20 equal quarterly instalments with moratorium of 6 months from the actual commercial operations date.
- (b) Indian rupees loan from financial institution for capital expenditure carries interest rate @ 9.25% p.a. as on 31st March 2024. The loan is secured by first charge on movable and immovable fixed assets pertaining to a Resin manufacturing facility project at Roha, Maharashtra and is repayable in 20 equal quarterly instalments with moratorium of 6 months from the commercial operations date.
- (c) Indian rupees loan from a bank for execution of BOOT order from a company and carries interest rate of 9.45% p.a. as on 31st March 2024. The loan is secured by exclusive charge on movable fixed assets and current assets arising out of the said BOOT order and is repayable in 20 equal quarterly instalments with moratorium of 8 quarters from the date of first disbursement.
- (d) Indian rupees loan of INR 925 Lacs from a bank for capital expenditure carried interest rate from 10% p.a. to 10.95% p.a. Loan was repayable in 48 months from the date of the first disbursement. The loan was secured by exclusive first charge on three residential properties. The said Indian rupees loan of INR 925 Lacs has been fully repaid during financial year 2023-2024.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

22. Borrowings (contd...)

- (e) Indian rupees loan of INR 1,400 Lacs from a bank for capital expenditure carried interest rate from 8.40% p.a. to 10.25% p.a. Loan was repayable in 48 months from the date of the first disbursement. The loan was secured by exclusive first charge on three residential properties. The said Indian rupees loan of INR 1,400 Lacs has been fully repaid during financial year 2023-2024.
- (f) Bank loans and Escrow account and carries a rate of interest of 5.4% and is secured by corporate guarantees.
- (g) Indian rupee vehicle loans from banks and finance companies @ interest rate from 7.50% to 9.00% p.a. The loans were repayable within a period of 60 months in equal monthly installments along with interest, from the various dates of disbursements. The loans were secured by hypothecation of under lying vehicles. The said Indian rupee vehicle loans have been fully repaid during financial year 2023-2024.
- (h) Vehicle loans from finance companies @ interest of 6.7%. The loans were secured by hypothecation of under lying vehicles.

23. Other financial liabilities - Non Current

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Deposits	867.43	872.50
Deferred payment for acquisition	589.36	-
	1,456.79	872.50

24. Provisions

	Non-current		Current	
	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Provision for employee benefits (Refer note 43)	2,613.03	2,389.45	784.92	618.21
Provision for warranties	-	-	53.75	44.31
	2,613.03	2,389.45	838.67	662.52

Provision for warranties

A provision is recognised for expected warranty claims on Consumer Product Division's products sold and Engineering services during last one year, based on past experience of the level of repairs and returns.

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
At the beginning of the year	44.31	39.61
Arising during the year	53.75	44.31
Utilised during the year	44.31	39.61
Unused amounts reversed	-	-
At the end of the year	53.75	44.31

25. Other non-current liabilities

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Others	37.64	50.75
	37.64	50.75

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**26. Tax liabilities**

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Provision for income tax (Net)	601.73	591.70
	601.73	591.70

27. Borrowings - Current

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Working capital loan from banks (Secured) [Refer notes (a) to (d) below]	120.47	1,876.65
Buyers credit with a financial institution (Secured) [Refer note (e) below]	905.67	814.02
Inter-corporate deposits (Unsecured) [Refer note (f) below]	195.60	58.02
Current maturities of long term borrowings (Secured) (Refer note 22)	1,630.95	932.19
	2,852.69	3,680.88
The above amount includes		
Secured borrowings	2,657.09	3,622.86
Unsecured borrowings	195.60	58.02
	2,852.69	3,680.88

Notes:

- (a) Includes working capital loan of INR 0.40 Lacs (31st March 2023: INR 15.31 Lacs) is secured by joint hypothecation of book debts and stocks and collateral security by way of charge on the fixed assets at its manufacturing facilities situated in Hosur, Patancheru, Vashi, Goa, Ankleshwar and Mumbai (Office Premises). The working capital loan is repayable on demand and carries interest @ 7.90% to 10.70% p.a.
- (b) Includes working capital loan of INR Nil (31st March 2023: INR 1,762.09 Lacs) from a bank was secured by hypothecation of book debts and stocks and collateral security by way of charge on the movable and immovable fixed assets situated at Wada, Thane. The working capital loan was repayable on demand and carried floating interest @ 15.60 % p.a. The said working capital loan has been fully repaid during financial year 2023-24.
- (c) Includes working capital loan of INR Nil (31st March 2023: INR Nil) from a bank secured against hypothecation of book debts and stocks and also secured by corporate guarantees and carries interest of 3 months JIBAR + 410 basis point. The working capital loan is repayable on demand.
- (d) Includes working capital loan of INR 120.07 Lacs (31st March 2023: INR 99.24 Lacs) is secured by hypothecation of book debts and stocks and collateral security by way of comfort letter / corporate guarantee. The working capital loan is repayable on demand and carries interest @ 9.00 % p.a.
- (e) Buyers credit is vendor bills discounting facility with a financial institution and carries interest @ Overnight SOFR (3M) + 475 basis point p.a.
- (f) Inter corporate deposit are for a period from 90 to 365 days and carried interest @ 8% to 9% p.a.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

28. Trade payables

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Trade payables (including acceptances)		
- Total outstanding dues of micro and small enterprises (Refer note 57)	4,973.50	6,087.26
- Total outstanding dues of creditors other than micro and small enterprises	64,489.06	49,038.04
	69,462.56	55,125.30

Trade payables ageing schedule

As at 31 March 2024

	Not due INR in Lacs	Outstanding for following periods from due date of payment				Total INR in Lacs
		Less than 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	
Total outstanding dues of micro enterprises and small enterprises	2,423.18	2,518.17	11.53	17.91	2.71	4,973.50
Total outstanding dues of creditors other than micro enterprises and small enterprises	30,595.03	31,160.71	782.88	173.41	1,205.27	63,917.30
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	551.67	0.14	0.02	19.93	571.76
	33,018.21	34,230.55	794.55	191.34	1,227.91	69,462.56

As at 31 March 2023

	Not due INR in Lacs	Outstanding for following periods from due date of payment				Total INR in Lacs
		Less than 1 year INR in Lacs	1-2 years INR in Lacs	2-3 years INR in Lacs	More than 3 years INR in Lacs	
Total outstanding dues of micro enterprises and small enterprises	2,692.19	3,361.98	19.63	4.18	9.28	6,087.26
Total outstanding dues of creditors other than micro enterprises and small enterprises	26,364.26	20,992.07	131.41	623.93	674.06	48,785.73
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	231.66	0.23	4.44	15.98	252.31
	29,056.45	24,585.71	151.27	632.55	699.32	55,125.30

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**29. Other financial liabilities - Current**

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Interest accrued but not due	0.63	16.76
Employee benefits payable	3,589.04	3,095.37
Creditors for capital goods	2,477.85	851.77
Deferred payment for acquisition	195.85	-
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
- Unpaid dividend	69.51	69.85
- Unclaimed interest on fixed deposit	-	0.16
- Unclaimed matured deposit	-	0.65
	6,332.88	4,034.56

30. Other current liabilities

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Advance from customers	18,327.92	19,534.57
Unearned revenue on construction contracts (Refer note 45)	22,435.96	17,607.30
Unearned revenue on AMC services	1,029.15	802.26
Statutory dues	2,913.88	2,254.90
Other liabilities	676.53	456.97
Deposits	56.85	51.01
	45,440.29	40,707.01

31. Revenue from operations

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Sale of products		
Finished goods	140,256.65	120,980.57
Traded goods	18,772.38	13,557.02
Sale of services	74,757.99	63,322.25
Other operating revenue		
Scrap sale	410.96	499.83
Management fees	67.82	138.27
Other operating income	519.12	462.99
	234,784.92	198,960.93

Revenue disaggregation as per industry vertical and geography has been included in segment information (Refer note 46)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

32. Other income

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Interest income at amortised cost		
- From banks	2,962.61	2,245.28
- From others	486.90	570.43
Rent	200.96	182.77
Dividend income on investments	4.43	2.33
Exchange gain (Net)	-	646.58
Profit on fixed assets sold/discarded (Net)	26.45	-
Other non operating Income	685.13	459.40
Change in fair value of investments - Investments classified at FVTPL	21.90	0.05
	4,388.38	4,106.84

33. Cost of materials consumed

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Inventory at the beginning of the year	9,297.01	6,465.24
Add: Purchases *	138,426.11	120,984.43
Less: Inventory at the end of the year	10,259.77	9,297.01
Cost of raw material and components consumed **	137,463.35	118,152.66

* Includes direct expenses incurred on contracts

** The value of raw materials consumed have been arrived at on basis of opening stocks plus purchases less closing stock. The consumption therefore includes adjustments for materials sold, shortage/ excess and obsolescence.

34. Purchases of stock-in-trade

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Consumer products	8,092.43	6,234.21
Spares	860.60	701.77
Others	109.37	117.56
	9,062.40	7,053.54

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

35. Change in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Inventories at the end of the year		
Traded goods	1,844.32	1,641.41
Work-in-progress	2,684.12	2,981.96
Finished goods	7,167.46	6,483.00
Contract work-in-progress	80.15	591.89
(A)	11,776.05	11,698.26
Inventories at the beginning of the year		
Traded goods	1,641.41	1,134.08
Work-in-progress	2,981.96	1,906.84
Finished goods on business combination	21.04	-
Finished goods	6,483.00	7,397.32
Contract work-in-progress	591.89	310.48
(B)	11,719.30	10,748.72
(B)-(A)	(56.75)	(949.54)

36. Employee benefits expense

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Salaries, wages and bonus	26,952.36	21,291.24
Contribution to provident and other funds (Refer note 43)	1,536.98	1,350.19
Staff welfare expense	1,165.56	984.94
	29,654.90	23,626.37

37. Finance costs

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Interest expense financial liabilities measured at amortised cost	833.79	626.70
Interest on lease liabilities	191.06	145.37
Other borrowing costs	181.35	147.91
	1,206.20	919.98

38. Depreciation and amortisation expense

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Depreciation of property, plant and equipment (Refer note 4)	2,689.34	2,073.23
Depreciation on right-of-use assets (Refer note 5)	862.88	770.71
Amortisation of intangible assets (Refer note 7)	88.29	64.73
	3,640.51	2,908.67

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

39. Other expenses

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Stores and spare parts consumed	106.11	87.40
Power and fuel	2,626.04	2,493.62
Repairs and Maintenance - Buildings	111.47	123.82
- Plant and machinery	784.59	661.47
- Others	475.71	482.88
Rent (Net of recoveries)	412.35	456.57
Rates and taxes	908.16	821.29
Insurance (Net of recoveries)	391.77	344.57
Travelling and conveyance	5,054.45	3,924.18
Freight (Net of recoveries)	4,558.97	4,168.66
Packing (Net of recoveries)	2,280.86	2,056.31
Advertisement and publicity	1,850.50	1,194.96
Commission	820.28	444.86
Legal and professional charges	3,046.52	1,887.33
Telephone and telex	288.01	264.51
Bad debts written off	327.48	332.06
Less: Provision for doubtful debts utilised	(231.22)	-
	96.26	332.06
Provision for doubtful debts	446.51	-
Doubtful advances/Claims written off	240.47	170.22
Auditors' remuneration (Refer note 39.1)	80.97	75.38
Directors' fees	56.70	42.00
Directors' commission	288.00	256.00
Bank charges	340.48	285.15
Exchange loss (Net)	287.60	-
Loss on fixed assets sold/discarded (Net)	-	30.38
Establishment and other miscellaneous expenses *	5,914.58	4,975.60
	31,467.36	25,579.22

* Includes CSR expenditure of INR 442.39 Lacs (2022-23: INR 356.06 Lacs). Refer note 64.

39.1 Auditors' remuneration (excluding taxes)

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
As auditor:		
- Audit fees	47.00	47.75
- Tax audit fees	4.00	4.00
- Limited review	9.00	8.25
In other capacity:		
- Other services (Certification fees)	9.15	6.90
Reimbursement of expenses	7.32	3.98
Branch auditor		
- Audit fees	2.75	2.75
- Other services (Certification fees)	1.20	1.20
- Reimbursement of expenses	0.55	0.55
	80.97	75.38

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

40. Tax expense

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Current tax	7,098.80	6,467.63
Deferred tax	255.37	(93.96)
	7,354.17	6,373.67
Reconciliation of tax expense		
Profit before tax	26,735.33	25,776.87
Applicable tax rate	25.17%	25.17%
Computed tax expense	(A) 6,729.28	6,488.04
Adjustments for:		
Non-deductible tax expenses	55.88	45.31
Tax-exempt income	(19.63)	(14.95)
Corporate social responsibility expenditure	109.49	89.62
Deduction under house property	(16.99)	(19.88)
Subsidiaries chargeable at different rates	(19.85)	(9.53)
Deferred tax not recognised on losses and others	515.99	(204.94)
Net adjustments	(B) 624.89	(114.37)
Tax expense	(A+B) 7,354.17	6,373.67

41. Other comprehensive income

	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Items that will not be reclassified to profit or loss		
(a) Remeasurement benefit of defined benefit plans	(125.80)	(336.03)
(b) Income tax expense on remeasurement benefit of defined benefit plans	29.73	79.17
Items that will be reclassified to profit or loss		
(a) Movement in foreign currency translation reserve	68.33	90.57
	(27.74)	(166.29)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

42. Earnings per share (EPS)

INR in Lacs

	Particulars	31st March 2024	31st March 2023
I	Profit computation for both basic and diluted earnings per share of INR 1 each Net profit as per the statement of profit and loss available for equity shareholders (INR in Lacs)	19,601.82	19,674.18
II	Weighted average number of equity shares for earnings per share computation (equity shares are after elimination of shares held by subsidiaries)		
	A) For basic earnings per share		
	No. of shares	142,287,850	142,287,850
	Less: Treasury shares held by IEI Shareholding (Staff Welfare) Trusts and HMIL Shareholding (Staff Welfare) Trusts	23,736,140	23,736,140
	No. of shares for basic earnings per share	118,551,710	118,551,710
	B) For diluted earnings per share		
	No. of shares for basic EPS	118,551,710	118,551,710
	Add: Weighted average outstanding employee stock options deemed to be issued for no consideration	-	-
	No. of shares for diluted earnings per share	118,551,710	118,551,710
III	Earnings per share in Rupees		
	Basic (INR)	16.534	16.595
	Diluted (INR)	16.534	16.595

Note

The equity shares of the company were split / sub-divided from 1 equity share of face value of INR 10 each to 10 equity Shares of face value of INR 1 each with effect from 12th June 2023 (record date). The basic and diluted earnings per share for the previous year has been restated to give effect of the share split as per Ind AS 33.

43. Employee benefits

A. Gratuity

The group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn basic salary) for each completed year of service. The scheme is funded to a separate trust duly recognised by Income tax authorities.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

INR in Lacs

	Particulars	2023-24	2022-23
I	Change in defined benefit obligation		
	Defined benefit obligation, Beginning of period	3,247.19	2,732.04
	Interest cost	224.36	163.68
	Service cost	279.41	204.99
	Total actuarial (gains)/losses	113.01	342.40
	a. Effect of change in financial assumptions	43.13	89.34
	b. Effect of change in demographic assumptions	-	37.55
	c. Experience (gains) / losses	69.88	215.51
	Acquisition / Business combination/divestiture	(9.58)	-
	Benefits paid	(137.47)	(195.92)
	Defined benefit obligation, end of period	3,716.92	3,247.19

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

43. Employee benefits (contd...)

INR in Lacs

	Particulars	2023-24	2022-23
II	Change in the fair value of plan assets		
	Fair value of plan assets at the beginning of the period	2,852.57	2,386.17
	Interest income	214.68	153.65
	Contributions by the employer	337.75	500.36
	(Assets transferred out / divestments)	(9.58)	-
	(Benefit paid from the fund)	(134.32)	(193.98)
	Return on plan assets, excluding interest income	(12.79)	6.37
	Fair value of plan assets at the end of the period	3,248.31	2,852.57
III	Expenses recognised in the statement of profit or loss for current period		
	Current service cost	279.41	204.99
	Net interest cost	9.68	10.03
	Expenses recognised	289.09	215.02
IV	Expenses recognised in the other comprehensive income (OCI) for current period		
	Actuarial (gains) / losses on obligation for the period	113.75	341.73
	Return on plan assets, excluding interest income	12.05	(5.70)
	Net (income) / expense for the period recognised in OCI	125.80	336.03
V	Maturity analysis of the benefit payments		
	Projected benefits payable in future years from the date of reporting		
	1st following year	714.11	558.64
	2nd following year	415.58	408.78
	3rd following year	416.01	459.86
	4th following year	944.31	322.40
	5th following year	311.62	331.78
	Sum of years 6 to 10	1,159.31	1,633.02
	Sum of years 11 and above	1,094.11	906.21
VI	Sensitivity analysis		
	Projected benefit obligation on current assumptions	3,716.92	3,247.19
	Delta effect of +0.5% change in rate of discounting	(79.97)	(77.02)
	Delta effect of -0.5% change in rate of discounting	84.27	81.15
	Delta effect of +0.5% change in rate of salary increase	83.21	58.67
	Delta effect of -0.5% change in rate of salary increase	(79.85)	(35.97)
	Delta effect of +0.5% change in rate of employee turnover	(11.96)	(9.71)
	Delta effect of -0.5% change in rate of employee turnover	12.41	10.07

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

43. Employee benefits (contd...)

The group expects to contribute INR 269.49 Lacs (2023-24: INR 176.84 Lacs) to gratuity in 2024-25.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Sr. No.	Categories of assets	% of holding	
		2023-24	2022-23
1	HDFC Std. Life Ins. Co. Ltd./ICICI Pru.Life Ins.Co. Ltd / Bank deposits	100%	100%

The expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

B. Provident fund

The group's provident fund schemes which are administered through government of India are defined contribution plan. The group's contribution paid / payable under the scheme is recognised as expense in the statement of profit and loss during the year in which the employee renders the related services. There are no other obligations other than the contribution payable to the respective fund.

The group's provident fund scheme which is managed by trust set up by the group, the contribution to the provident fund is remitted to a separate trust established for this purpose based on a fixed percentage of the eligible employees' salary and charged to statement of profit and loss. Shortfall, if any, in the fund assets, based on the government specified minimum rate of return, will be made good by the group and charged to statement of profit and loss. The actual return earned by the fund has mostly been higher than the government specified minimum rate of return in the past years. There is a shortfall of INR 129.89 Lacs in the fund as on 31st March 2024 as per valuation report, which has been provided for by the group (As on 31st March 2023 shortfall of INR 74.56 Lacs was provided for).

The details of fund obligations are given below:

Particulars	INR in Lacs	
	As at 31st March 2024	As at 31st March 2023
Present value of benefit obligation at period end	9,290.37	7,806.22

Note:

The Indian parliament has approved the Code of Social Security, 2020 ('the code'), which, inter alia, deals with employee benefits during employment and post-employment. The code has been published in the gazette of India. The effective date of the code and rules thereunder are yet to be notified. In view of this, the impact of the change, if any, will be assessed and recognised post notification of the relevant provisions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**44. Financial instruments**

Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels. It does not include the fair value information for current financial assets and current financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value

INR in Lacs

	As at 31st March 2024				As at 31st March 2023			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level of input used in				Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets - Non-current								
At amortised cost								
Trade receivables	417.75				451.99			
Loans	-				-			
Others	1,581.50				1,544.39			
Investments	0.50				0.50			
At FVTPL								
Investments *	544.76	-	-	544.76	469.40	-	-	469.40
Financial assets - Current **								
At amortised cost								
Trade receivables	93,478.04				69,679.25			
Cash and cash equivalents	15,363.67				17,535.55			
Bank balances other than above	43,425.95				37,261.33			
Loans	790.16				1,523.46			
Others	1,598.60				1,510.26			
At FVTPL								
Investments	53.61	53.61	-	-	31.71	31.71	-	-
Financial liabilities - Non-current								
At amortised cost								
Borrowings	10,905.36				1,567.56			
Lease liabilities	1,103.50				341.48			
Other financial liabilities	1,456.79				872.50			
Financial liabilities - Current **								
Borrowings	2,852.69				3,680.88			
Lease liabilities	379.56				333.42			
Trade payables	69,462.56				55,125.30			
Other financial liabilities	6,332.88				4,034.56			

* Excludes investments in associates amounting to INR 624.37 Lacs (31st March 2023: INR 481.94 Lacs)

** The group has not disclosed the fair value of current financial instruments such as trade receivables, cash and cash equivalents, bank balances - others, loans, others, borrowings, lease liabilities, trade payables and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

44. Financial instruments (contd...)

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table show the valuation techniques used in measuring level 2 and level 3 fair values, as well as the significant unobservable inputs used. The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

Financial instruments measured at fair value

Type	Valuation technique
Forward contracts for foreign exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies
Non current financial assets and liabilities measured at amortised cost	Discounted cash flow technique: The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Investments in unquoted preference shares	Discounted cash flow: The fair value is estimated considering net present value calculated using long term growth rate and discount rate.
Investments in unquoted equity shares	Discounted cash flow: Using long term growth rate.

C. Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in an active market. This includes listed equity instruments, traded debentures and mutual funds that have quoted price / declared NAV. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: Level 2 hierarchy includes financial instruments that are not traded in an active market (for example, traded bonds/ debentures, over the counter derivatives). The fair value in this hierarchy is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant Inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Financial instruments such as unlisted equity shares, loans are included in this hierarchy.

D. Inter level transfers:

There are no transfers between levels 1 and 2 as also between levels 2 and 3 during the year

E. Financial risk management

The group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

(i) Risk management framework

The audit committee members of the company and board of directors of the subsidiaries have overall responsibility for the establishment and oversight of the company's risk management framework.

The group's risk management policies are established to identify and analyses the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**44. Financial instruments (contd...)**

The audit committee members of the company and the board of directors of the subsidiaries oversees how management monitors compliance with the group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The board of directors is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the major observations are periodically highlighted to the audit committee members of the company and the board of directors of the subsidiaries.

(ii) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the group's receivables from customers.

Trade receivables

Credit risk is managed through credit approvals, and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. In respect of trade receivables, the group is not exposed to any significant credit risk exposure to any single counter party or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. The group assesses the credit quality of the customer based on market intelligence, past payment history and defaults.

Credit risk management procedures includes regular monitoring of outstanding trade receivables to ensure risk of credit loss is minimal.

The company has impaired its trade receivables using a provisioning matrix representing expected credit losses based on range of outcome.

As per policy, trade receivables are classified into different buckets based on the overdue period. There are different provisioning norms for each bucket which are ranging from 25% to 100%.

Particulars	Trade receivables INR in Lacs
Balance as at 1st April 2022	2,009.18
Provision recognised	-
Amount utilised	-
Balance as at 31st March 2023	2,009.18
Provision recognised	446.51
Amount utilised / reversed	(231.22)
Balance as at 31st March 2024	2,224.47

Cash and cash equivalents

The group held cash and cash equivalents of INR 15,363.67 Lacs as at 31st March 2024 (as at 31st March 2023: INR 17,535.55 Lacs). The cash and cash equivalents are held with banks with good credit ratings.

Other bank balances

The group held other bank balances equivalents of INR 43,425.95 Lacs as at 31st March 2024 (as at 31st March 2023: INR 37,261.33 Lacs). The other bank balances are mainly temporary surplus fund invested in fixed deposits with banks having good credit rating and margin money against bank guarantees issued by bank on our behalf.

Investments

The group has invested an insignificant amount in listed securities. The group does not expect any losses.

Other financial assets

Other financial assets mainly comprise of tender deposits and security deposits which are given to customers or governmental agencies in relation to contracts under bid / under execution and are assessed by the group for credit risk on a continuous basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

44. Financial instruments (contd...)

(iii) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The group has obtained fund and non-fund based working capital limits from various banks. The group invests its temporary surplus funds in bank fixed deposit.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

As at 31st March 2024

INR in Lacs

	Carrying amount	Contractual cash flows *				
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
(i) Borrowings **	12,536.31	14,575.70	2,572.75	4,749.83	2,679.20	4,573.92
(ii) Lease liabilities **	1,483.06	2,027.24	475.59	711.36	354.78	485.51
(iii) Other non-current financial liabilities	1,456.79	1,532.56	-	358.72	306.41	867.43
Current financial liabilities						
(i) Short term borrowings	1,221.74	1,221.74	1,221.74	-	-	-
(ii) Trade payables	69,462.56	69,462.56	69,462.56	-	-	-
(iii) Other financial liabilities	6,332.88	6,332.88	6,332.88	-	-	-
	92,493.34	95,152.68	80,065.52	5,819.91	3,340.39	5,926.86

As at 31st March 2023

INR in Lacs

	Carrying amount	Contractual cash flows *				
		Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
(i) Borrowings **	2,499.75	2,791.12	1,103.69	1,662.56	24.87	-
(ii) Lease liabilities **	674.90	926.96	240.79	394.88	112.23	179.06
(iii) Other non-current financial liabilities	872.50	872.50	-	-	-	872.50
Current financial liabilities						
(i) Short term borrowings	2,748.69	2,748.69	2,748.69	-	-	-
(ii) Trade payables	55,125.30	55,125.30	55,125.30	-	-	-
(iii) Other financial liabilities	4,034.56	4,034.56	4,034.56	-	-	-
	65,955.70	66,499.13	63,253.03	2,057.44	137.10	1,051.56

* Contractual cash flows includes interest payout in the respective years on borrowings.

** Including current and non-current portion.

(iv) Market risk

The group is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates to the floating rate debt obligations.

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**44. Financial instruments (contd...)**Exposure to interest rate risk:

Group's interest rate risk arises primarily from borrowings. The interest rate profile of the group's interest-bearing financial instruments is as follows.

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
<u>Fixed rate instruments</u>		
Financial assets – measured at amortised cost		
Loans to related parties	249.83	321.23
Balances with banks - On deposit account with original maturity less than 3 months	5,089.20	11,600.00
Other bank balances – On deposit account	21,580.63	16,433.68
Other bank balances – On margin money account	21,775.81	20,757.64
	48,695.47	49,112.55
Financial liabilities – measured at amortised cost		
Long term borrowing *	145.34	99.81
Short term borrowings	195.60	58.02
	340.94	157.83
<u>Variable rate loan</u>		
Financial liabilities – measured at amortised cost		
Long term borrowings *	12,390.97	2,399.94
Short term borrowings	1,026.14	2,690.67
	13,417.11	5,090.61

* Including current maturity of long term borrowings

Fair value sensitivity analysis for fixed-rate instruments:

The group does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments:

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amount shown below. This analysis assumes that all other variables remain constant.

	31st March 2024		31st March 2023	
	Increase	Decrease	Increase	Decrease
	(-)	+	(-)	+
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
1% Movement	(134.17)	134.17	(50.91)	50.91

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Foreign currency risk

The group is exposed to currency risk on account of its revenue generating and operating activities in foreign currency. The functional currency of the group is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed in recent periods and may continue to fluctuate in the future.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

44. Financial instruments (contd...)

Exposure to currency risk:

The currency profile of financial assets and financial liabilities as at 31st March 2024 and 31st March 2023 are as below:

As at 31st March 2024

INR in Lacs

	USD	EUR	SAR	AED	Others	Total
Financial assets						
Loans to subsidiaries	263.40	-	-	-	-	263.40
Cash and cash equivalents	317.85	-	-	709.03	751.72	1,778.60
Trade and other receivables	23,916.18	1,895.38	96.53	1,332.74	207.47	27,448.30
	24,497.43	1,895.38	96.53	2,041.77	959.19	29,490.30
Less: Forward exchange contracts	(2,134.37)	-	-	-	-	(2,134.37)
Less: Natural hedge	(5,396.00)	(1,893.92)	-	(1,180.42)	(920.56)	(9,390.90)
Net exposure on financial assets	16,967.06	1.46	96.53	861.35	38.63	17,965.03
Financial liabilities						
Trade and other payables	5,194.07	2,563.04	-	1,180.42	2,637.59	11,575.12
Borrowings	201.93	-	-	-	-	201.93
	5,396.00	2,563.04	-	1,180.42	2,637.59	11,777.05
Less: Forward exchange contracts	-	-	-	-	-	-
Less: Natural hedge	(5,396.00)	(1,893.92)	-	(1,180.42)	(920.56)	(9,390.90)
Net exposure on financial liabilities	-	669.12	-	-	1,717.03	2,386.15
Total net exposure	16,967.06	670.58	96.53	861.35	1,755.66	20,351.18

As at 31st March 2023

INR in Lacs

	USD	EUR	SAR	AED	Others	Total
Financial assets						
Loans to subsidiaries	333.09	-	-	-	-	333.09
Cash and cash equivalents	313.95	-	-	333.44	276.02	923.41
Trade and other receivables	20,281.32	311.34	228.15	657.03	464.55	21,942.39
	20,928.36	311.34	228.15	990.47	740.57	23,198.89
Less: Forward exchange contracts	(2,848.82)	-	-	-	-	(2,848.82)
Less: Natural hedge	(5,919.01)	-	-	(990.47)	(461.96)	(7,371.44)
Net exposure on financial assets	12,160.53	311.34	228.15	-	278.61	12,978.63
Financial liabilities						
Trade and other payables	5,576.72	528.85	-	1,131.70	2,364.12	9,601.39
Borrowings	342.29	-	-	-	-	342.29
	5,919.01	528.85	-	1,131.70	2,364.12	9,943.68
Less: Forward exchange contracts	-	-	-	-	-	-
Less: Natural hedge	(5,919.01)	-	-	(990.47)	(461.96)	(7,371.44)
Net exposure on financial liabilities	-	528.85	-	141.23	1,902.16	2,572.24
Total net exposure	12,160.53	840.19	228.15	141.23	2,180.77	15,550.87

Sensitivity analysis:

A reasonably possible strengthening / weakening of the Indian Rupee against foreign currency at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

INR in Lacs

	Profit or (loss)			
	31st March 2024		31st March 2023	
	(Strengthening)	Weakening	(Strengthening)	Weakening
1% movement				
USD	(169.67)	169.67	(121.61)	121.61
EUR	(6.71)	6.71	(8.40)	8.40
SAR	(0.96)	0.96	(2.28)	2.28
AED	(8.61)	8.61	(1.41)	1.41
Others	(17.56)	17.56	(21.81)	21.81
	(203.51)	203.51	(155.51)	155.51

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**45. Disclosure as per Ind AS 115**

- (a) The group offers wide range of solutions across the water cycle from pre-treatment to process water treatment, waste water treatment, recycle, zero liquid discharge, sewage treatment, packaged drinking water, sea water desalination etc. The group is also engaged in manufacturing resins, speciality chemicals for water and waste water treatment as well as non-water applications.

The type of work in the contracts with the customers involves designing, engineering supply of materials, installation and commissioning of the plant, project management, operations and maintenance. The effect of initially applying Ind AS 115 on the group's revenue from contracts with customers is described in note 3.17.

- (b) Revenue disaggregation as per industry vertical and geography has been included in segment information – Refer note 46.
(c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers in respect of contracts in progress:

INR in Lacs

Particulars	As at 31st March 2024	As at 31st March 2023
Receivables which are included in trade and other receivables	65,896.51	48,111.79
Contract assets		
- Accrued value of work done	5,619.25	4,032.45
Contract liabilities		
- Unearned revenue on construction contracts	22,435.96	17,607.30
- Advance from customers	15,412.18	14,608.12

- (d) Remaining performance obligations

The following table includes Revenue expected to be recognised in future related to performance obligations that are unsatisfied or partially unsatisfied at reporting date

The Group applies practical expedient included in Para 121 of Ind AS 115 and does not disclose information about the remaining performance obligations that have an original expected contract duration of one year or less

INR in Lacs

	31st March 2024	31st March 2023
Amount of Revenue expected to be recognised for contracts having original expected duration of more than one year in progress as at reporting date	244,232.00	289,111.00

- (e) Performance obligation

The group evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the group provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the group enters into multiple contracts with the same customer, the group evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The group recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the plant to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

45. Disclosure as per Ind AS 115 (contd...)

If estimated incremental costs on any contract, are greater than the net contract revenues, the group recognises the entire estimated loss in the period the loss becomes known.

Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

- (f) Dividend income is recorded when the right to receive payment is established.
- (g) Interest income is recognised using the effective interest method.
- (h) Revenue from sale of goods is recognised at the point in time when control of the assets is transferred to the customer, generally on delivery of the goods.
- (i) Revenue related to fixed price maintenance and support services contracts where the group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- (j) Reconciliation of revenue recognised in the statement of profit and loss

The following table discloses the reconciliation of amount of revenue recognised:

INR in Lacs

Particulars	2023-24	2022-23
Revenue recognised	235,741.76	199,663.80
Less: Reduction towards variable consideration component *	956.84	702.87
Revenue recognised in the statement of profit and loss	234,784.92	198,960.93

* Reduction towards variable consideration component includes discount etc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

46. Segment

I. Information about business segments

INR in Lacs

	Engineering		Chemicals		Consumer Products		Other Business		Unallocated		Total	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Revenue												
External sales	142,235.55	120,916.75	67,110.71	58,597.51	25,369.70	19,307.87	0.97	-	67.99	138.80	234,784.92	198,960.93
Inter-segmental sales	2,907.56	2,981.42	3,733.83	3,481.95	-	-	-	-	-	-	6,641.39	6,463.37
Total revenue	145,143.11	123,898.17	70,844.54	62,079.46	25,369.70	19,307.87	0.97	-	67.99	138.80	241,426.31	205,424.30
Less: Eliminations											(6,641.39)	(6,463.37)
Add : Interest income									3,449.51	2,815.71	3,449.51	2,815.71
Other income	586.50	963.99	168.26	154.06	0.02	0.06	72.49	57.28	111.60	115.74	938.87	1,291.13
Total enterprise revenue											239,173.30	203,067.77
Result												
Segment results	11,193.18	11,319.47	17,603.25	15,505.23	(595.99)	(230.71)	(109.25)	(132.38)	-	-	28,091.19	26,461.61
Unallocated expenditure net of unallocated income									(3,599.17)	(2,580.47)	(3,599.17)	(2,580.47)
Finance cost									(1,206.20)	(919.98)	(1,206.20)	(919.98)
Interest income									3,449.51	2,815.71	3,449.51	2,815.71
Profit before tax, before share of profit / (loss) of equity accounted investee									(1,355.86)	(684.74)	26,735.33	25,776.87
Other Information												
Segment assets	156,036.61	136,748.31	51,187.15	29,931.10	6,960.04	4,775.91	1,540.40	1,530.28	29,212.32	21,028.90	244,936.52	194,014.50
Segment liabilities	97,099.57	84,778.10	28,703.90	14,689.22	6,141.16	4,668.09	240.29	238.68	10,770.97	6,060.40	142,955.89	110,434.49
Capital expenditure	5,208.27	3,646.38	2,928.21	1,075.20	130.12	100.12	-	-	1,536.47	489.55	9,803.07	5,311.25
Depreciation	1,140.68	830.74	1,836.70	1,574.75	66.98	57.44	5.62	5.62	590.53	440.12	3,640.51	2,908.67
Non cash expenditure other than depreciation	623.72	381.86	232.37	737.24	91.26	181.20	65.72	67.61	79.72	(331.32)	1,092.79	1,036.59

II. Information about geographical segments

INR in Lacs

	India		Outside India		Total	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
External revenue	183,827.65	152,453.78	50,957.27	46,507.15	234,784.92	198,960.93
Carrying amount of segment assets	195,175.64	166,528.60	49,760.88	27,485.90	244,936.52	194,014.50
Additions to property, plant and equipment	9,295.55	5,278.14	507.52	33.11	9,803.07	5,311.25

III. Notes:

(a) The group's operations are organised into three business segments, namely:

Engineering division – comprising of water treatment plants, spares and services in connection with the plants.

Chemicals – comprising of resins, water treatment chemicals and speciality chemicals.

Consumer Products – comprising of water purification equipments for homes, institutions and communities.

(b) The segment revenue in the geographical segments considered for disclosure are as follows:

Revenue within India includes sales to customers located within India and earnings in India. Revenue outside India includes sales to customers located outside India and earnings outside India.

(c) No single customer contributes 10% or more of the company's total revenue for the year ended 31st March 2024.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

47. Related party disclosures (As identified by the management):

a)	Associates	Aquanomics Systems Ltd. Ion Exchange PSS Co. Ltd., Thailand * Ion Exchange Financial Products Pvt. Ltd. *
b)	Key management personnel	Mr. Rajesh Sharma - Chairman & Managing Director Mr. Dinesh Sharma - Executive Director Mr. Aankur Patni - Executive Director
c)	Non-executive directors	Dr. V. N. Gupchup Mr. M. P. Patni Mr. T. M. M. Nambiar Mr. P. Sampathkumar Mr. Abhiram Seth Mr. Shishir Tamotia Mrs. Kishori Udeshi Mr. David Rasquinha Mr. Sanjay Joshi
d)	Relatives of key management personnel	Mr. M. P. Patni - Father of Mr. Aankur Patni Mr. Bimal Jain - Brother of Mr. M. P. Patni Mrs. Nirmala Patni - Mother of Mr. Aankur Patni Mrs. Aruna Sharma - Wife of Mr. Rajesh Sharma Mrs. Poonam Sharma - Wife of Mr. Dinesh Sharma Mrs. Nidhi Patni - Wife of Mr. Aankur Patni Ms. Pallavi Sharma - Daughter of Mr. Rajesh Sharma Mrs Anita Jain - Wife of Mr. Bimal Jain
e)	Enterprise owned or significantly influenced by key management personnel or their relatives	Ion Foundation Ultrafresh Modular Solutions Ltd. Ultrapure Envirocare Pvt. Ltd. Rockmen Merchants Ltd. Mrs. Rajkumari Nambiar - Wife of Mr. T. M. M. Nambiar
f)	Post-employment benefit plans	Ion Exchange (India) Ltd.'s Provident Institution Ion Exchange (India) Ltd.'s Management Staff Gratuity Fund Ion Exchange Staff Superannuation Scheme Ion Exchange India Ltd. – Gratuity Fund Trust

* Associate companies of subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**47. Related party disclosures (contd...):**

I. Transactions during the year with related parties with outstanding balances as at year-end:

INR in Lacs

Particulars	Associates		Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Sale of goods *						
Aquanomics Systems Ltd.	7,591.40	10,935.30	-	-	7,591.40	10,935.30
Ion Exchange PSS Co. Ltd., Thailand	131.54	106.97	-	-	131.54	106.97
Total	7,722.94	11,042.27	-	-	7,722.94	11,042.27
Management fees						
Aquanomics Systems Ltd.	67.82	138.27	-	-	67.82	138.27
Total	67.82	138.27	-	-	67.82	138.27
Purchase of goods *						
Aquanomics Systems Ltd.	218.65	211.29	-	-	218.65	211.29
Total	218.65	211.29	-	-	218.65	211.29
Rental income						
Ultrafresh Modular Solutions Ltd.	-	-	52.68	50.10	52.68	50.10
Ultrasure Envirocare Pvt. Ltd.	-	-	9.00	6.75	9.00	6.75
	-	-	61.68	56.85	61.68	56.85
Loans and advances given						
Ion Exchange PSS Co. Ltd., Thailand	114.72	96.14	-	-	114.72	96.14
Total	114.72	96.14	-	-	114.72	96.14
Loans and advances repaid						
Ion Exchange PSS Co. Ltd., Thailand	186.12	60.76	-	-	186.12	60.76
Ion Exchange Financial Product Pvt Ltd	-	3.50	-	-	-	3.50
Total	186.12	64.26	-	-	186.12	64.26
Dividend paid						
Aquanomics Systems Ltd.	0.13	0.10	-	-	0.13	0.10
Ion Exchange Financial Products Pvt. Ltd.	6.30	5.04	-	-	6.30	5.04
Mr. Rajesh Sharma	-	-	103.12	82.50	103.12	82.50
Mr. Dinesh Sharma	-	-	79.03	63.23	79.03	63.23
Mr. Aankur Patni	-	-	36.91	29.53	36.91	29.53
Mr. M. P. Patni	-	-	94.44	75.55	94.44	75.55
Dr. V. N. Gupchup	-	-	14.02	11.11	14.02	11.11
Mr. Abhiram Seth	-	-	19.35	15.48	19.35	15.48
Mr. T. M. M. Nambiar	-	-	10.40	8.32	10.40	8.32
Mr. P. Sampath Kumar	-	-	7.28	5.82	7.28	5.82
Mr. Shishir Tamotia	-	-	0.28	0.23	0.28	0.23
Mrs. Kishori Udeshi	-	-	0.45	0.36	0.45	0.36
Relatives of Key Management Personnel	-	-	72.22	58.61	72.22	58.61
Total	6.43	5.14	437.50	350.74	443.93	355.88

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

47. Related party disclosures (contd...):

I. Transactions during the year with related parties with outstanding balances as at year-end: (contd...)

INR in Lacs

Particulars	Associates		Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Remuneration to directors						
Mr. Rajesh Sharma	-	-	542.83	514.92	542.83	514.92
Mr. Dinesh Sharma	-	-	248.63	234.37	248.63	234.37
Mr. M. P. Patni	-	-	111.06	104.54	111.06	104.54
Mr. Aankur Patni	-	-	231.98	223.80	231.98	223.80
Total	-	-	1,134.50	1,077.63	1,134.50	1,077.63
Commission to executive directors						
Mr. Rajesh Sharma	-	-	300.00	300.00	300.00	300.00
Mr. Dinesh Sharma	-	-	150.00	150.00	150.00	150.00
Mr. Aankur Patni	-	-	150.00	150.00	150.00	150.00
Total	-	-	600.00	600.00	600.00	600.00
Director sitting fees						
Mr. Rajesh Sharma	-	-	1.50	1.35	1.50	1.35
Mr. Dinesh Sharma	-	-	1.50	1.25	1.50	1.25
Mr. Aankur Patni	-	-	1.50	1.25	1.50	1.25
Mr. Mahabir Prasad Patni	-	-	5.25	4.00	5.25	4.00
Dr. V. N. Gupchup	-	-	7.45	7.25	7.45	7.25
Mr. T. M. M. Nambiar	-	-	7.60	5.85	7.60	5.85
Mr. P. Sampath Kumar	-	-	4.50	3.25	4.50	3.25
Mr. Abhiram Seth	-	-	8.65	6.90	8.65	6.90
Mr. Shishir Tamotia	-	-	4.50	3.25	4.50	3.25
Mrs. Kishori Udeshi	-	-	5.10	3.35	5.10	3.35
Mr. David Paul Rasquinha	-	-	4.50	2.75	4.50	2.75
Mr. Sanjay Joshi	-	-	2.75	-	2.75	-
Total	-	-	54.80	40.45	54.80	40.45
Directors commission						
Mr. Mahabir Prasad Patni	-	-	32.00	32.00	32.00	32.00
Dr. V. N. Gupchup	-	-	32.00	32.00	32.00	32.00
Mr. T. M. M. Nambiar	-	-	32.00	32.00	32.00	32.00
Mr. P. Sampath Kumar	-	-	32.00	32.00	32.00	32.00
Mr. Abhiram Seth	-	-	32.00	32.00	32.00	32.00
Mr. Shishir Tamotia	-	-	32.00	32.00	32.00	32.00
Mrs. Kishori Udeshi	-	-	32.00	32.00	32.00	32.00
Mr. David Paul Rasquinha	-	-	32.00	32.00	32.00	32.00
Mr. Sanjay Joshi	-	-	32.00	-	32.00	-
Total	-	-	288.00	256.00	288.00	256.00
CSR expenses						
Ion Foundation	-	-	412.74	350.58	412.74	350.58
Total	-	-	412.74	350.58	412.74	350.58

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**47. Related party disclosures (contd...):**

I. Transactions during the year with related parties with outstanding balances as at year-end: (contd...)

INR in Lacs

Particulars	Associates		Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Purchase of group companies shares during the year						
Mr. Rajesh Sharma	-	-	-	2.27	-	2.27
Mr. Dinesh Sharma	-	-	-	3.61	-	3.61
Rockmen Merchants Limited	-	-	-	108.74	-	108.74
Mr. Mahabir Prasad Patni	-	-	-	2.27	-	2.27
Mr. Aankur Patni	-	-	-	2.91	-	2.91
Mrs. Nirmala Patni	-	-	-	1.00	-	1.00
Mrs. Nidhi Patni	-	-	-	0.84	-	0.84
Mrs. Poonam Sharma	-	-	-	0.91	-	0.91
Mrs. Aruna Sharma	-	-	-	0.91	-	0.91
Mrs. Anita Jain	-	-	-	0.61	-	0.61
Dr. V. N. Gupchup	-	-	-	2.27	-	2.27
Mr. T. M. M. Nambiar	-	-	-	0.91	-	0.91
Mrs. Rajkumari Nambiar	-	-	-	1.36	-	1.36
Mr. P. Sampat Kumar	-	-	-	2.27	-	2.27
Mr. Bimal Jain	-	-	-	0.80	-	0.80
Total	-	-	-	131.68	-	131.68
Contribution to post-employment benefit plans						
Ion Exchange (India) Ltd.'s Provident Institution	-	-	330.51	267.53	330.51	267.53
Ion Exchange (India) Ltd.'s Management Staff Gratuity Fund	-	-	291.87	439.43	291.87	439.43
Ion Exchange Staff Superannuation Scheme	-	-	141.15	135.77	141.15	135.77
Ion Exchange India Ltd. – Gratuity Fund Trust	-	-	9.00	19.63	9.00	19.63
Total	-	-	772.53	862.36	772.53	862.36
Outstanding loans and advances						
Ion Exchange Financial Products Pvt. Ltd.**	9.00	9.00	-	-	9.00	9.00
Ion Exchange PSS Co. Ltd.	249.83	321.23	-	-	249.83	321.23
Total	258.83	330.23	-	-	258.83	330.23
Outstanding receivables (Net of payables) excluding loans and advances						
Aquanomics Systems Ltd.	2,634.83	5,510.11	-	-	2,634.83	5,510.11
Ion Exchange PSS Co. Ltd., Thailand	11.86	-	-	-	11.86	-
Total	2,646.69	5,510.11	-	-	2,646.69	5,510.11
Outstanding payables (Net of receivables) excluding loans and advances						
Ion Exchange PSS Co. Ltd., Thailand	-	47.43	-	-	-	47.43
Total	-	47.43	-	-	-	47.43
Corporate guarantees (Outstanding)						
Aquanomics Systems Ltd.	1,100.00	1,100.00	-	-	1,100.00	1,100.00
Total	1,100.00	1,100.00	-	-	1,100.00	1,100.00

* Gross amount has been considered.

** Provision has been made in respect of the said amount.

Note: The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**48. (a) Provisional registration by SEBI**

In response to the SEBI (Collective Investment Schemes) Regulations, 1999 (the "Guidelines"), notified by Securities and Exchange Board of India (SEBI) on 15th October 1999, Ion Exchange Enviro Farms Limited (IEEFL) had applied for registration to SEBI on 14th December 1999. In response, SEBI had granted provisional registration to IEEFL on 13th February 2001, subject to certain conditions. The provisional registration was subsequently extended and expired on 13th February 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. The SEBI did not grant exemption and further vide letter dated 7th January 2003; SEBI called upon IEEFL to show cause why the provisional registration granted to it should not be revoked. After hearing the 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 had filed appeal against the order of SAT in Hon'ble Supreme Court of India on 4th July, 2006. The Hon'ble Supreme Court of India had dismissed IEEFL's appeal on 26th February 2013. IEEFL in order to comply with SAT order dated 5th May 2006 has submitted a letter on 17th May 2013 to SEBI seeking its directions to comply with the SAT order.

Subsequent to this there was a meeting with SEBI Officials on 27th November 2013, wherein some additional details about compliance of the Scheme and financial results etc. were called for which have been duly complied with vide letter dated 13th December 2013. Pursuant to this, IEEFL has initiated actions in line with the aforesaid meetings with SEBI Officials & letters submitted to SEBI.

Subsequent to SEBI order of 30th December 2015, for closer of the CIS Scheme (which inter-alia included directions to refund INR 2,006 Lacs to investors, as per the earlier order of 27th November 2003), IEEFL was granted a personal hearing on 3rd February 2016 and additional information called for was submitted on 23rd March 2016. IEEFL has requested permission to wind up the scheme in terms of rule 73(1) to (9) of CIS Regulation as it has completed all obligations towards the investors, i.e., sale of lands and development and maintain the lands then after as per the agreements.

As SEBI refused to accede to IEEFL's request has preferred a fresh appeal at Securities Appellate Tribunal (SAT) on 9th February 2017 no (1) 40 Of 2017 - citing practical difficulties in execution of the SEBI order to refund to all investors as investors have already received their lands / refunds as per the agreements.

IEEFL's plea in SAT is for issuing suitable directions to SEBI for verifying the documentary proofs submitted by IEEFL for conveying of lands, refunds made and thereafter calling outstanding claims, if any, and thereafter declaring wind up of the scheme in terms of the CIS Regulations. Appeal has been already admitted by SAT and certain hearings have also taken place.

The appeal was heard and vide order dated 18th October 2019 SAT has dismissed the appeal. The IEEFL had filed a review petition before the SAT, Mumbai on 3rd December 2019 for correction of factual errors in the said order. Further, based on the legal advice, pending final order from SAT on the review petition, an appeal is filed in the Supreme Court against order of SAT on 18th February 2020. As per the SAT hearing dated 19th March 2021, it was held that, there is not an error apparent on the face of the record and thus review application filed was dismissed by SAT. As such the appeal is set aside against IEEFL and further vide order No. 2853/2021 dated 6th December 2021, the Supreme Court has granted liberty to IEEFL to approach Securities and Exchange Board of India and request for reconsideration of the matter by producing additional material. IEEFL has filed additional documents through its advocates vide letter dated 2nd March 2022. Further SEBI vide letter dated 17th May 2022 has made certain observations and has advised IEEFL to provide for additional comments/documents, which were submitted through their advocate vide letter dated 12th July 2022. Thereafter SEBI has appointed forensic auditor who is examining the documents and records of the IEEFL in order to submit his report to SEBI. Further the queries of the said auditor have been addressed by IEEFL's counsel. Based on the report submitted by the auditor to SEBI, SEBI has sought certain clarifications from IEEFL and the same has been complied therewith. SEBI vide letter dated 16th May 2024 has directed IEEFL to deposit an amount of INR 2,202 Lacs towards repayment of money to the Investors. IEEFL has sought legal opinion in the matter and further steps are being taken as advised.

(b) Administrator's Appointment

SEBI had on 25th April 2019 under SEBI (Appointment of Administrator and Procedure for Refunding of Investors) Regulations 2018 had appointed an Administrator for selling the Land at Goa (Quepam) of IEEFL and Recovering the Dues however vide Letter dated 30th April 2019. IEEFL has Requested the Recovery Office of SEBI to keep the proceedings in abeyance. Further, in view of the above developments the proceedings are in Abeyance or on hold as on date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

49. Maintenance expenses recoverable of Ion Exchange Enviro Farms Limited (IEEFL), represent expenses incurred on sites sold under the scheme, which are to be recovered from future income generated by sale of intercrops and main crops. The recovery is dependent on farm activities. The Management expects that there will be sufficient future returns from crop/land sales to completely recover all these expenses.

No provision is considered necessary by the management for the balance as at the end of INR Nil (31st March 2023: INR 64.46 Lacs) as future returns from crop sales and sale of land will be available to recover the same.

50. Security deposit for land INR 237.63 Lacs (31st March 2023: INR 237.63 Lacs) represents amount paid by Ion Exchange Enviro Farms Limited (IEEFL) for acquiring agricultural land, inclusive of stamp duty and registration charges, which are unsold as at 31st March 2024. IEEFL has conducted valuation of land and found the market value are higher than the original cost and hence IEEFL has not made provision for the same.
51. Advances for repurchase INR 323.91 Lacs (31st March 2023: INR 323.91 Lacs) represents amounts paid by Ion Exchange Enviro Farms Limited (IEEFL) to investors for purchase of sites sold to them in earlier years, at prices announced by the IEEFL from time to time. These amounts are paid to investors on their execution of an irrevocable Power of Attorney in favour of the IEEFL's nominees for sale thereof at future date.
52. Capital expenditure incurred on research and development during the year is INR 108.01 Lacs (2022-23: INR 157.09 Lacs). Revenue expenditure of INR 1,024.22 Lacs (2022-23: INR 987.23 Lacs) incurred on research and development has been expensed to the statement of profit and loss under various expense heads.

53. Lease**Operating Lease**Group as lessor:

The group has entered into commercial property lease of its surplus office. The lease agreement is for 5 years. The lease includes a clause to enable upward revision by 15% after completion of 3 years from the date of commencement of the lease agreement.

Further minimum rentals receivable under non-cancellable operating lease are as follows:

	31st March 2024 INR in Lacs	31st March 2023 INR in Lacs
Within one year	156.59	138.60
After one year but not more than five years	134.44	53.60
More than five years	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

54. Right-of-use assets

The break-up of lease expenses are as follows

Particulars	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Short-term lease expense	278.84	322.65
Low value lease expense	-	-
Total lease expenses	278.84	322.65

The break-up of cash outflow on leases are as follows

Particulars	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Repayment of lease liabilities	451.55	497.50
Interest on lease liabilities	191.06	145.37
Short-term lease expense	278.84	322.65
Low value lease expense	-	-
Total cash outflow on leases	921.45	965.52

The break-up of current and non-current lease liabilities are as follows

Particulars	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Current lease liabilities	379.56	333.42
Non-current lease liabilities	1,103.50	341.48
Total	1,483.06	674.90

The movement in lease liabilities

Particulars	Year ended 31st March 2024 INR in Lacs	Year ended 31st March 2023 INR in Lacs
Balance at the beginning	674.90	713.82
Additions	1,296.87	471.67
Finance cost accrued during the period	191.06	145.37
Deletions	(36.51)	(3.61)
Payment of lease liabilities	(642.61)	(642.87)
Translation difference	(0.65)	(9.48)
Balance at the end	1,483.06	674.90

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows

Particulars	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Less than one year	475.59	240.79
One to five year	1,066.14	507.11
More than five year	485.51	179.06
Total	2,027.24	926.96

55. Capital and other commitments

Estimated amount of contracts (net of advances) remaining to be executed on capital account not provided for is INR 18,485.80 Lacs (31st March 2023: INR 525.72 Lacs).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**56. Contingent liabilities**

Contingent liabilities not provided for:

- (a) Guarantee given by the group on behalf of:
 - i) Associates – INR 1,100.00 Lacs (31st March 2023: INR 1,100.00 Lacs)
 - ii) Others – INR 38.88 Lacs (31st March 2023: INR 38.88 Lacs)
- (b) Demand raised by authorities against which the group has filed an appeal.
 - i) Income tax – INR Nil (31st March 2023: INR 7.66 Lacs)
 - ii) Excise duty – INR 28.58 Lacs (31st March 2023: INR 24.58 Lacs)
 - iii) Service tax – INR 632.25 Lacs (31st March 2023: INR 474.88 Lacs)
 - iv) Sales tax / VAT – INR 790.33 Lacs (31st March 2023: INR 974.46 Lacs)
 - v) GST – INR 65.77 Lacs (31st March 2023: INR Nil)
- (c) Claims against the group arising in the course of business not acknowledged as debts (to the extent ascertainable) INR 1,441.94 Lacs (31st March 2023: 3,808.66 Lacs).

Note: Future cash outflows/uncertainties, if any, in respect of above are determinable only on receipt of judgments/decisions pending with various forums/authorities.

57. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 (on the basis of the information and records available with Management)

	31st March 2024 INR in Lacs	31st March 2023 INR in Lacs
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	4,815.42	5,946.42
Interest due on above	17.24	27.53
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	158.08	140.84
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

58. Capital advance includes amount of INR 25.33 Lacs (31st March 2023: INR 25.33 Lacs) paid for acquiring furnished office premises at Hyderabad, the ownership of which is under legal dispute for which transfer formalities are in progress.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

59. Equity accounted Investees

Information of interest of the group in its equity accounted investees:

	Note reference	Carrying cost	
		31st March 2024 INR in Lacs	31st March 2023 INR in Lacs
Interest in Associates	See Note (A) below	624.37	481.94

[A] Interest in associates

(I) List of material associates of the group

Sr No	Name	Country of Incorporation	31st March 2024	31st March 2023
1	Aquanomics Systems Limited	India	48.42%	48.42%

The principal place of business of the entity listed above is the same as their respective country of incorporation.

Fair Value of material listed associates

There is no material listed associate of the Group

The following table comprises the financial information of the group's material associates and their respective carrying amount.

	Aquanomics Systems Limited	
	31st March 2024 INR in Lacs	31st March 2023 INR in Lacs
Percentage ownership interest	48.42%	48.42%
Summarised financial information (Net of consolidated adjustments)		
Non-current assets	333.34	267.28
Current assets (Excluding cash and cash equivalent)	4,109.36	6,385.24
Cash and cash equivalent	698.78	592.40
Non Current liabilities	(109.71)	(125.36)
Current liabilities	(454.71)	(67.57)
(Current liabilities other than trade payables and other current liabilities)		
Trade payables and other current liabilities	(3,282.55)	(6,056.69)
Net assets	1,294.51	995.30
Groups share of net assets	624.37	481.94
Carrying amount of interest in associates	624.37	481.94

	Aquanomics Systems Limited	
	2023-24 INR in Lacs	2022-23 INR in Lacs
Revenue	11,082.46	13,982.28
Depreciation and amortisation	72.72	63.47
Interest expense	23.68	27.41
Income tax expense	116.86	61.53
Other Comprehensive Income	(0.39)	0.87
Total comprehensive income	307.22	181.94
Consolidated adjustments	11.00	11.00
Groups share of profit / (loss)	154.08	93.43
Groups share of OCI	-	-
Groups share of total comprehensive Income	154.08	93.43
Dividend received from the associate	9.20	9.20

Contingent liabilities in respect of associates

	As at 31st March 2024 INR in Lacs	As at 31st March 2023 INR in Lacs
Contingent liabilities – VAT / Central sales tax	1,292.34	51.19
Contingent liabilities – Income tax	9.41	26.86

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**60. Non-controlling interests**

Below is the list of partly owned subsidiaries of the group and the respective share of the non-controlling interests.

Sr No	Name	Country of Incorporation	Non-controlling interest	
			31st March 2024	31st March 2023
1	Ion Exchange And Co. LLC	Oman	49.00%	49.00%
2	Ion Exchange Safic Pty Ltd.	South Africa	40.00%	40.00%
3	Ion Exchange Enviro Farms Ltd.	India	20.40%	20.40%
4	Ion Exchange Projects and Engineering Ltd.	India	0.42%	0.42%
5	Aqua Investments (India) Ltd.	India	0.58%	0.58%
6	Watercare Investments (India) Ltd.	India	0.57%	0.57%
7	Total Water Management Services (India) Ltd.	India	29.81%	29.81%
8	PT Ion Exchange Asia Pacific	Indonesia	5.00%	5.00%
9	Ion Exchange Arabia For Water	Saudi Arabia	40.00%	40.00%
10	Ion Exchange Europe LDA	Portugal	0.02%	0.02%

The following table comprises the information relating to each of the groups subsidiaries that has material NCI, before any intra group eliminations.

31st March 2024

INR in Lacs

Particulars	Ion Exchange And Co LLC - Oman *	Ion Exchange Safic Pty Ltd. *	Ion Exchange Enviro Farms Ltd.	Ion Exchange Arabia For Water
NCI percentage	49.00%	40.00%	20.40%	40.00%
Non current assets	438.22	315.44	953.86	10.20
Current assets	1,230.29	923.43	38.47	918.79
Non current liabilities	(95.29)	(231.32)	(4,156.57)	-
Current liabilities	(333.12)	(846.46)	(2,303.30)	(1,202.35)
Net assets	1,240.10	161.09	(5,467.54)	(273.36)
Net assets attributable to NCI	607.65	64.44	(1,115.38)	(109.34)
Revenue	2,635.47	2,000.93	197.88	1,969.00
Profit/(Loss)	164.05	53.18	(529.89)	(138.74)
Other comprehensive income	(0.56)	6.37	(0.04)	(2.83)
Total comprehensive income	163.49	59.55	(529.93)	(141.57)
Profit / (Loss) allocated to NCI	80.38	21.27	(108.09)	(55.50)
OCI allocated to NCI	(0.27)	2.55	(0.01)	(1.13)
Total comprehensive income allocated to NCI	80.11	23.82	(108.10)	(56.63)
Cash flow from operating activities	319.60	387.61	65.65	3.22
Cash flow from investing activities	58.19	(309.53)	-	(131.67)
Cash flow from financing activities	(129.47)	(7.89)	(60.65)	88.67
Net increase /(decrease) in cash and cash equivalents	(248.33)	70.19	-	(39.78)
Dividends paid to Non-controlling interest	63.01	-	-	-

* Adapted as per Ind AS for consolidation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)
60. Non-controlling interests (contd...)
31st March 2023
INR in Lacs

Particulars	Ion Exchange And Co LLC - Oman *	Ion Exchange Safic Pty Ltd. *	Ion Exchange Enviro Farms Ltd.	Ion Exchange Arabia For Water
NCI percentage	49.00%	40.00%	20.40%	40.00%
Non current assets	434.55	53.14	1,022.87	5.17
Current assets	1,382.77	957.05	13.20	248.01
Non current liabilities	(77.49)	-	(4,156.05)	-
Current liabilities	(534.63)	(1,136.88)	(1,817.63)	(384.97)
Net assets	1,205.20	(126.69)	(4,937.61)	(131.78)
Net assets attributable to NCI	590.55	(50.68)	(1,007.27)	(52.71)
Revenue	2,302.45	2,043.24	157.17	721.54
Profit/(Loss)	60.74	58.34	(532.45)	(233.35)
Other comprehensive income	99.07	22.18	(0.40)	(36.57)
Total comprehensive income	159.80	80.52	(532.85)	(269.92)
Profit / (Loss) allocated to NCI	29.76	23.34	(108.70)	(93.34)
OCI allocated to NCI	48.54	8.88	(0.08)	(14.63)
Total comprehensive income allocated to NCI	78.30	32.22	(108.78)	(107.77)
Cash flow from operating activities	(148.90)	(527.63)	67.59	(347.18)
Cash flow from investing activities	(82.13)	(2.77)	-	5.60
Cash flow from financing activities	(99.05)	499.69	(67.59)	359.25
Net increase /(decrease) in cash and cash equivalents	(330.08)	(30.71)	-	17.67
Dividends paid to Non-controlling interest	45.80	-	-	-

* Adapted as per Ind AS for consolidation

Aggregate carrying amount of individually immaterial

INR in Lacs

	31st March 2024	31st March 2023
Aggregate amount of NCI's share of profits/loss	(4.45)	(28.61)
Aggregate amount of NCI's share of other comprehensive income	(0.05)	(0.13)
Aggregate amount of NCI's share of total comprehensive income	(4.50)	(28.74)

61. Service concession arrangement

Ion Exchange Purified Drinking Water Private Limited (IEPDWPL), has entered into a service concession arrangement with Indian Railways Catering and Tourism Corporation Limited (IRCTC) the regulator, to construct, operate and maintain a packaged drinking water plant ('The plant').

Under the terms of agreement, the IEPDWPL is to construct, operate and maintain the plant and supply packaged drinking water (PDW) in PET bottles exclusively to regulator for the period starting on the commencement date i.e 20th December 2013 and ending on 30th September 2029.

The plant will be transferred to IRCTC at the end of the service concession period.

The IEPDWPL in turn has a right to charge the regulator at the agreed rate as stated in the service concession arrangement. Further, IRCTC has assured minimum sales volume during the concession period.

62. In the financial year 2018-19, Ion Exchange Environment Management Ltd. a joint venture of the company became a wholly owned subsidiary of the company w.e.f. 20th August 2018. On acquisition a goodwill of INR 863.10 Lacs had been created.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**63. Loans and advances to related parties**

Loans and advances in the nature of loans are granted to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are:

Type of borrower	As at 31st March 2024		As at 31st March 2023	
	Amount of loan or advances in the nature of loan	Percentage to the total loans and advances in the nature of loan	Amount of loan or advances in the nature of loan	Percentage to the total loans and advances in the nature of loan
	INR in Lacs	%	INR in Lacs	%
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	249.83	100%	321.23	100%

64. Corporate Social Responsibility expenses (CSR):

- A. Gross amount required to be spent by the group during the year INR 442.21 Lacs (2022-23: INR 356.06 Lacs)
- B. Amount approved by the board to spent during the year INR 442.39 Lacs (2022-23: INR 356.06 Lacs)
- C. Amount spent during the year ending 31st March 2024:

		INR in Lacs		
		In cash	Yet to be paid in cash	Total
(i)	Construction / Acquisition of any assets	-	-	-
(ii)	Purpose other than (i) above	442.39	-	442.39
	Total	442.39	-	442.39

Amount spent during the year ending 31st March 2023

		INR in Lacs		
		In cash	Yet to be paid in cash	Total
(i)	Construction / Acquisition of any assets	-	-	-
(ii)	Purpose other than (i) above	356.06	-	356.06
	Total	356.06	-	356.06

- D. Shortfall at the end of the year: INR Nil (31st March 2023 INR Nil)
- E. Reason for shortfall at the end of the year: Not applicable
- F. Nature of CSR activities: Education, Environment, Water, Sanitation, Health and Hygiene.
- G. Related party transaction in relation to Corporate Social Responsibility: INR 412.74 Lacs (2022-23: INR 350.58 Lacs).

All CSR projects under the Ion Exchange umbrella are implemented by Ion Foundation, a company incorporated under Section 8 of the Companies Act, 2013

- H. Provision during the year INR Nil (2022-23: INR Nil)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

65. Acquisition of subsidiary

On 22nd June 2023, Ion Exchange India Limited completed the process of acquiring 100% paid-up equity of the company - 'Mapril - Produtos Químicos e Máquinas Para A Industria, LDA', Portugal for a total cash consideration of INR 2,387.51 Lacs (EUR 2,662,252). The purchase price has been allocated as per valuation report and Goodwill of INR 157.52 Lacs has been recognised. The acquired business is part of the 'Chemicals' business segment and it operates outside India. The consolidated financials includes results of the said subsidiary for the period 23rd June 2023 to 31st March 2024.

Mapril - Produtos Químicos e Máquinas Para A Industria, LDA, contributed revenue from operations of INR 9,268.68 Lacs and Profit after tax of INR 254.90 Lacs.

If the acquisition had occurred on 1st April 2023, management estimates that consolidated revenue from operations would have been INR 236,984.18 Lacs and consolidated profit after tax for the year would have been INR 19,551.15 Lacs. In determining these amounts management has assumed that the fair value adjustments that arose on the date of acquisition would have been same if the acquisition had occurred on 1st April 2023.

The following table summaries the recognized amounts of assets acquired and liabilities assumed

Assets acquired and liabilities assumed

Particulars	INR in Lacs
Property, plant and equipments	8,371.45
Intangible assets	385.62
Other investments	31.39
Inventories	1,719.15
Trade receivables	1,345.84
Other receivables	297.73
Current tax receivable	0.02
Deferrals	3.31
Other financial assets	4.61
Cash, cash equivalents and time deposits	383.68
Borrowings	(6,019.61)
Deferred tax liabilities	(817.91)
Trade payables	(2,804.99)
Prepayments	(174.09)
Current tax payable	(394.86)
Other current liabilities	(187.70)
Net assets acquired	2,143.64

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

Particulars	INR in Lacs
Fair value of consideration (including fair value of deferral payment)	2,301.16
Fair value of nets assets	(2,143.64)
Goodwill	157.52

The group incurred acquisition related cost of INR 64.50 Lacs on legal fees and due diligence costs. These costs have been included in 'Legal and Professional fees' under 'other expenses' (Note no.39)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**65. Acquisition of subsidiary (contd...)****Measurement of fair values**

The valuation techniques used for measuring the fair value of material assets were as follows:

Assets acquired	Valuation technique
Property, plant and equipments	The main techniques for evaluating Property, plant and equipments are: - Market Comparison Method, normally used for equipment with high market liquidity. - Depreciated Cost Method, Normally used for more specific equipment, the cost of the equipment is deducted from depreciation, which is calculated taking into account the useful life of the equipment and its usefulness (ability to generate wealth).
Intangible assets	Discounted cash flow method, The discount rate is calculated by applying the weighted average cost of capital (WACC), being the cost of equity calculated based on the Capital Asset Pricing Model (CAPM).
Inventories	The goods and raw-materials and consumable materials are valued at the lower of average acquisition cost and net realizable value (estimated selling price minus disposable costs). Finished and semi-finished products, sub-products and products and work in progress are valued at the production cost, which is lower than the market value. Production costs include the cost of incorporated raw materials, direct labour and general manufacturing costs.
Trade receivables	Trade receivable correspond to deliveries made during the period and within the normal conditions of the granted credit. Trade receivables are valued at cost less impairment losses. Thus, it is measured at fair market value

66. Amalgamation

The scheme of amalgamation of Global Composites And Structural Limited ("Transferor Company No.1"), and Ion Exchange Environment Management Limited ("Transferor Company No.2") with Ion Exchange (India) Limited ("Transferee Company" and their respective shareholders ("Scheme") has been approved by the Mumbai bench of National Company Law Tribunal on 21st February 2024. The scheme has taken effect from the appointed date i.e., 1st April, 2023.

Global Composites And Structural Limited ("Transferor company 1"), a company incorporated on 13th April 2006 under the Companies Act, 1956. The Company is engaged in the manufacturing and selling of fiber glass reinforcements plastic (FRP), FRP piping, PRP Composites, Cable trays, engineering products, vessels/Tanks, designing and structural fabrication of metal and steel structures.

Ion Exchange Environment Management Limited ("Transferor company 2"), a company incorporated on 24th November 2005 under Companies Act, 1956. The company provides single point responsibility of total environmental solutions for industrial and municipal needs for waste water and sewage treatment, solid waste treatment and disposal, hazardous waste management, air pollution control and renewable energy generation. For optimum utilisation of the available resources, the company also executes Effluent Treatment Plants and Sewage Treatment Plants for others on project management charges (PMC) as subcontractor.

There is no effect of the merger of transferor companies on the amounts of revenue and profit published in previous year for the group

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

67. Statement of net assets, profit and loss and other comprehensive income attributable to owners and non-controlling interest for the year ending 31st March 2024

	Name of the entity	Country of incorporation	Net assets, i.e. total assets, minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount INR in Lacs	As % of consolidated profit and loss	Amount INR in Lacs	As % of consolidated other comprehensive income	Amount INR in Lacs	As % of consolidated total comprehensive income	Amount INR in Lacs
	Ion Exchange (India) Limited	India	84.28	107,435.11	101.67	20,409.54	(1.39)	(88.39)	76.91	20,321.15
	Subsidiaries									
1	Ion Exchange Enviro Farms Ltd.	India	(4.29)	(5,467.53)	(2.64)	(529.89)	-	(0.03)	(2.01)	(529.92)
2	Watercare Investments (India) Ltd.	India	6.77	8,631.36	0.14	29.09	42.60	2,704.55	10.35	2,733.64
3	Aqua Investments (India) Ltd.	India	9.32	11,877.29	0.19	38.98	58.73	3,729.12	14.26	3,768.10
4	Ion Exchange Asia Pacific Pte. Ltd.	Singapore	0.31	395.48	0.49	97.45	-	-	0.37	97.45
5	Ion Exchange Asia Pacific (Thailand) Ltd.	Thailand	(0.56)	(712.46)	(0.43)	(85.39)	-	-	(0.32)	(85.39)
6	PT Ion Exchange Asia Pacific	Indonesia	-	(4.55)	(0.04)	(7.91)	-	-	(0.03)	(7.91)
7	Ion Exchange Environment Management (BD) Ltd.	Bangladesh	0.30	377.38	0.25	50.61	-	-	0.19	50.61
8	Ion Exchange WTS (Bangladesh) Ltd.	Bangladesh	-	(5.56)	-	(0.35)	-	-	-	(0.35)
9	Ion Exchange LLC	USA	1.17	1,488.86	0.94	188.32	-	-	0.71	188.32
10	Ion Exchange And Company LLC *	Oman	0.97	1,240.10	0.82	164.06	-	-	0.62	164.06
11	Ion Exchange Projects And Engineering Ltd.	India	(0.89)	(1,134.75)	(3.77)	(757.15)	(0.12)	(7.65)	(2.89)	(764.80)
12	Total Water Management Services (India) Ltd.	India	0.05	68.76	(0.07)	(13.88)	-	-	(0.05)	(13.88)
13	Ion Exchange Safic Pty. Ltd.	South Africa	0.13	161.09	0.31	61.84	-	-	0.23	61.84
14	Ion Exchange Purified Drinking Water Pvt. Ltd.	India	0.47	597.10	1.04	208.03	-	-	0.79	208.03
15	Ion Exchange Arabia For Water	Saudi Arabia	(0.22)	(273.36)	(0.69)	(138.74)	-	-	(0.53)	(138.74)
16	Ion Exchange Europe LDA	Portugal	0.17	214.97	0.52	104.25	-	-	0.39	104.25
17	Mapri - Produtos Químicos e Máquinas Para A Industria, LDA *	Portugal	2.02	2,580.48	1.27	254.90	0.18	11.71	1.01	266.61
			100.00	127,469.77	100.00	20,073.76	100.00	6,349.31	100.00	26,423.07
	a) Adjustment arising out of consolidation			(25,489.14)		(692.60)		(6,445.38)		(7,137.98)
	b) Movement in foreign currency translation reserve							68.33		68.33
	c) Share in profit / (loss) of associates					154.08		-		154.08
	Total			101,980.63		19,535.24		(27.74)		19,507.50

* Adapted as per Ind AS for Consolidation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)**68. Details of transactions with companies struck off**

Name of Struck off Company	Nature of Transaction with Struck off Company	Balance Outstanding		Relationship with the Struck off company, if any to be disclosed
		As at 31 March 2024 INR in Lacs	As at 31 March 2023 INR in Lacs	
Al Ashraf Bhani Construction Pvt Ltd	Payables	3.04	-	Not applicable
Mallika Insurance Ltd.	Receivables	0.15	-	Not applicable
Prakash Industries Ltd.	Receivables	5.13	5.13	Not applicable
Samay Tiles Ltd.	Receivables	0.63	0.63	Not applicable
Siemac Controls Pvt. Ltd.	Payables	0.37	0.37	Not applicable
Steelmen Infratech Pvt. Ltd.	Payables	7.20	7.20	Not applicable
Untt Infratech Pvt. Ltd.	Payables	4.15	-	Not applicable

69. Other Statutory Information

- (i) The group do not have any benami property, where any proceeding has been initiated or pending against the group for holding any benami property.
- (ii) The group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (v) The group have not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the group shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries,
- (vi) The group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

70. Subsequent events

No significant adjusting event occurred between the balance sheet date and date of the approval of these financial statements by the board of directors of the company requiring adjustment or disclosure. Also refer note 72.

71. Information with regard to other matters, as required by Schedule III to the Act is either nil or not applicable to the group for the year.**72. Dividends**

	31st March 2024 INR in Lacs	31st March 2023 INR in Lacs
Proposed dividends on equity shares (excluding for shares held by subsidiaries)		
For the year 2023-24 - INR 1.50 per share having face value of INR 1 each	2,134.32	-
For the year 2022-23 - INR 12.50 per share having face value of INR 10 each	-	1,778.60
Less: Dividend on treasury shares	(356.04)	(296.70)
	1,778.28	1,481.90

Proposed dividends on equity shares are subject to the approval at the annual general meeting and are not recognised as a liability as at 31st March.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2024 (contd...)

73. The scheme of amalgamation between Ion Exchange Projects and Engineering Limited and Ion Exchange (India) Limited was withdrawn by the company during the year and will be considered for refiling in due course of time.
74. Standards issued but not effective - Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable.

As per our report of even date attached

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

Glenn D'souza
Partner
Membership no.: 112554

Place : Mumbai
Date : 29th May 2024

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

RAJESH SHARMA
Chairman & Managing Director
DIN - 00515486

VASANT NAIK
Chief Financial Officer

M. P. PATNI
Director
DIN - 00515553

MILIND PURANIK
Company Secretary

Place : Mumbai
Date : 29th May 2024

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rule, 2014]
Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part A : Subsidiaries

Sr. no.	Name of the subsidiary	The date since when subsidiary	Financial year ending on	Country of incorporation	Report- ing cur- rency	Exchange rate as at 31.03.2024	Equity Share capital	Other Equity	Total assets	Total Liabilities	Investments (including investments in holding company, subsidiaries and associates)	Total income (including other income)	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Other compre- hensive income	Total compre- hensive income	Proposed dividend (including dividend already paid, if any)	% of share- holding
1	Ion Exchange Enviro Farms Ltd.	21.08.1997	31.03.2024	India	INR	1.00	69.47	(5,537.00)	992.33	6,459.86	-	197.88	(529.89)	-	(529.89)	(0.03)	(529.92)	-	79.60
2	Watercare Investments (India) Ltd.	01.04.1999	31.03.2024	India	INR	1.00	178.02	8,453.34	9,582.40	951.04	9,335.59	39.61	38.88	9.79	29.09	2,704.55	2,733.64	-	99.43
3	Aqua Investments (India) Ltd.	01.04.1999	31.03.2024	India	INR	1.00	177.02	11,700.27	13,188.77	1,311.48	12,872.04	52.79	52.09	13.11	38.98	3,729.12	3,768.10	-	99.42
4	Ion Exchange Asia Pacific Pte. Ltd.	12.08.2004	31.03.2024	Singapore	USD	83.37390	1,648.33	(1,252.85)	2,988.22	2,592.74	143.82	1,373.58	97.45	-	97.45	-	97.45	-	100.00
5	Ion Exchange Asia Pacific (Thailand) Ltd. *	12.04.2007	31.03.2024	Thailand	THB	2.29064	91.63	(804.09)	676.01	1,388.47	-	230.23	(85.39)	-	(85.39)	-	(85.39)	-	100.00
6	PT Ion Exchange Asia Pacific *	01.08.2017	31.03.2024	Indonesia	IDR	0.00525	131.14	(135.69)	616.03	620.58	-	453.95	(7.91)	-	(7.91)	-	(7.91)	-	95.00
7	Ion Exchange Environment Management (BD) Ltd.	01.04.2006	31.03.2024	Bangladesh	BDT	0.75112	41.96	335.42	922.63	545.25	-	1,308.92	99.15	48.54	50.61	-	50.61	-	100.00
8	Ion Exchange WTS (Bangladesh) Ltd.	31.01.2010	31.03.2024	Bangladesh	BDT	0.75112	20.63	(26.19)	-	5.56	-	-	(0.35)	-	(0.35)	-	(0.35)	-	100.00
9	Ion Exchange LLC	01.03.2007	31.03.2024	USA	USD	83.37390	583.62	905.24	3,851.92	2,363.06	-	4,835.03	266.96	78.64	188.32	-	188.32	-	100.00
10	Ion Exchange And Company LLC	01.08.2006	31.03.2024	Oman	OMR	212.66500	638.00	602.10	1,670.97	430.87	418.88	2,635.47	187.63	23.57	164.06	-	164.06	128.59	51.00
11	Ion Exchange Projects And Engineering Ltd.	11.04.2011	31.03.2024	India	INR	1.00	1,521.52	(2,656.27)	876.36	2,011.11	9.84	3,127.86	(786.96)	(29.81)	(757.15)	(7.65)	(764.80)	-	99.58
12	Total Water Management Services (India) Ltd.	01.04.2012	31.03.2024	India	INR	1.00	10.89	57.87	77.02	8.26	-	56.15	(8.93)	4.95	(13.88)	-	(13.88)	-	70.19
13	Ion Exchange Safic Pty. Ltd.	01.07.2012	31.03.2024	South Africa	ZAR	4.40776	0.13	160.96	1,238.87	1,077.78	-	1,996.92	49.46	(12.38)	61.84	-	61.84	-	60.00
14	Ion Exchange Purified Drinking Water Pvt. Ltd.	25.09.2013	31.03.2024	India	INR	1.00	1.00	596.10	1,110.82	513.72	-	1,768.05	285.39	77.36	208.03	-	208.03	-	100.00
15	Ion Exchange Arabia for Water	20.11.2019	31.03.2024	Saudi Arabia	SAR	22.19700	443.94	(717.30)	928.99	1,202.35	-	1,969.00	(138.74)	-	(138.74)	-	(138.74)	-	60.00
16	Ion Exchange Europe LDA	13.05.2022	31.03.2024	Portugal	EUR	90.21780	4.51	210.46	297.18	82.21	-	1,830.18	135.52	31.27	104.25	-	104.25	-	99.98
17	Mapril - Produtos Químicos e Máquinas Para A Indústria, LDA **	22.06.2023	31.03.2024	Portugal	EUR	90.21780	996.79	1,583.69	15,247.15	12,666.67	31.58	9,290.29	336.34	81.44	254.90	11.71	266.61	-	100.00

* Holding through subsidiary company – Ion Exchange Asia Pacific Pte. Ltd., Singapore.

** Adapted as per Ind AS for Consolidation

Note :

Subsidiaries yet to commence operation

Subsidiaries liquidated or sold during the year

: None

: Global Composites And Structurals Ltd.- Merged with Ion Exchange (India) Ltd.

: Ion Exchange Environment Management Ltd.-Merged with Ion Exchange (India) Ltd.

IEI Environmental Management (M) Sdn. Bhd.

Part B : Associates and Joint Ventures

Sr. no.	Name of the Associates / Joint Ventures	Associates		
		Aquanomics Systems Ltd	Ion Exchange Financial Products Pvt. Ltd.*	Ion Exchange PSS Co. Ltd.**
1	Latest audited Balance Sheet Date	31.03.2024	31.03.2024	31.03.2024
2	Date on which the Associate or Joint Venture was associated or acquired	31.03.2006	01.04.1999	30.09.2011
3	Share of Associate / Joint Ventures held by company on year end			
	- Number of shares	460,000	2,450	14,700
	- Amount of Investment (net of impairment, if any) (INR in Lacs)	134.00	0.25	26.65
	- Extent of holding %	48.42%	24.02%	49.00%
4	Description of how there is significant influence			
5	Reason why the Associate / Joint Ventures is not considered	N.A.	N.A.	N.A.
6	Net worth attributable to shareholding as per latest audited balance sheet (INR in Lacs)	624.37	551.00	(190.90)
7	Total Comprehensive income			
	i. Considered in consolidation # (INR in Lacs)	307.22	4.32	(40.20)
	ii. Not considered in consolidation (INR in Lacs)	-	740.85	-

Note :

* Holding through subsidiary companies – Aqua Investments (India) Limited and Watercare Investments (India) Limited.

** Holding through subsidiary Ion Exchange Asia Pacific Pte. Ltd., Singapore

Considered in consolidation as per applicable Ind AS

Associates / Joint Ventures yet to commence operation : None

Associates / Joint Ventures liquidated or sold during the year : None

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED

RAJESH SHARMA
Chairman & Managing Director
DIN - 00515486

M. P. PATNI
Director
DIN – 00515553

MILIND PURANIK
Company Secretary

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 29th May 2024

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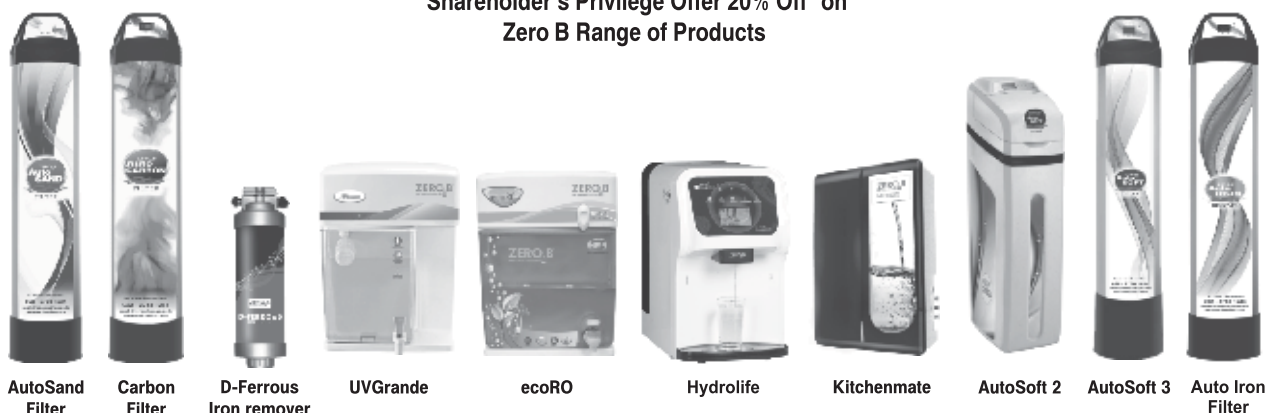


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Ion Exchange (India) Ltd.

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The Timbaktu Collective for the Nature School
Andhra Pradesh



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Delhi



Construction of School Sanitation Unit
Habitat for Humanity
Maharashtra



Curriculum Development and Support
Apni Shala Foundation
Maharashtra



Supporting Educational Initiatives
Utkarsh Mandal
Maharashtra



Construction of Toilets
The Timbaktu Collective for the Nature School
Andhra Pradesh



Supporting Sports Activities
Keshav Srushti
Maharashtra



Skill Development Driving Course for Women
Association for Non-Traditional Employment for Women (ANEW), Tamil Nadu



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Construction of Multiple Farm Ponds
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