June 28, 2021

To,

BSE Limited
The Corporate Relationship Dept
P.J. Towers,
Dalal Street,
Mumbai – 400 001

BSE Company Code: 500214

Dear Sir/ Madam,

Sub: **Submission of Transcript for conference call under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to our letter dated November 4, 2020, we enclose herewith communication relating to conference call as per Regulation 30(6) Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The said conference call with the Institutional Investor/Analyst on Thursday, June 10, 2021 was to discuss the financial performance of the Company for the year ended March, 2021. The aforesaid information is also disclosed on website of the company i.e. www.ionindia.com.

Kindly take the information on your record.

Thanking You,

Yours faithfully,
For Ion Exchange (India) Limited

MILIND DATTATRAYA PURANIK
Digitally signed by MILIND DATTATRAYA PURANIK
Date: 2021.06.28 14:07:03 +05'30'

Milind Puranik
Company Secretary

Ion Exchange India Limited
Earnings Conference Call
June 10, 2021

Moderator: Ion Exchange India Limited Q4 FY21 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing "*" and "0" on your telephone phone. I now hand the conference over to Mr. Anuj Sonpal from Valorem Advisors Thank you and over to you, sir.

Anuj Sonpal: Thank you. Good afternoon everyone. My name is Anuj Sonpal from Valorem Advisors. We represent the investor relations of Ion Exchange India Limited. On behalf of the company, I would like to thank you all and welcome you all for participating in the company's earnings conference call for the fourth quarter and financial year ended 2021.

Before we begin, I would like to mention a short cautionary statement. Some of the statements made in today's earnings conference call maybe forward looking in nature. Such forward looking statements are subject to risk and uncertainties which could cause actual results to differ from those anticipated. Such statements are based on management's belief as well as assumptions made by and information currently available to management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's earnings conference call is purely to educate and bring awareness about the company's fundamental business and financial quarter under review.

Now I would like to introduce you to the management participating with us in today's earnings call. We have with us Mr. Aankur Patni – Executive Director, Mr. N M Ranadive – Executive Vice President of Finance, Mr. Vasant Naik – Senior Vice President of Finance and Mr. Milind Puranik – Company Secretary. Without any further delay, I request Mr. Vasant Naik to give his opening remarks. Thank you and over to you, sir.

Vasant Naik: Thank you Anuj. Good afternoon everybody. It is a pleasure to welcome you to the earnings conference call for the fourth quarter and financial year of 2021. Firstly I hope that everyone is keeping safe and well. Now let me take you through the fourth quarter for financial performance of our company on a consolidated basis. The operating income for the quarter was INR 4,452 million, an increase of approximately 27% year-on-year. Operating EBITDA reported was INR 857 million an increase of 118% year-on-year and the margin percentage stood at 19.25% an improvement of 806 basis points. Net profit after tax reported was INR 705 million an increase of 144% year-on-year while the PAT margin percentage was 15.84% an improvement of 761 basis points on a year-on-year basis.

As evident from the numbers, the company witnessed steady sequential improvement in the financial performance. There has been an improved opportunity flow from the international markets. However, on account of resurgence of the second wave of COVID-19, besides damping the economic recovery it has also posed challenges for execution including disruptions in logistics for material movement.

I will now take you through the quarterly segmental performance on a consolidated basis.

In the engineering division the revenue for the quarter was INR 2,910 million an improvement of 32% compared to the Quarter 4 of last year. The EBIT was INR 557 million which increased by 111% on a year-on-year basis. The flow of order during the quarter was steady. While execution of the Sri Lanka project improved during the quarter, frequent COVID related restrictions in the country continue to force execution challenges. Execution of other ongoing engineering orders picked up pace in this quarter resulting in improved sales and margins.

In the chemical division, the revenue for the quarter recorded was INR 1,298 million an increase of 18% on a year-on-year basis. The EBIT was INR 389 million, an increase of 74%. The sales and dispatches showed continued improvement in this quarter and the margins in this business improved due to the higher turnover coupled with the operational efficiency. Lastly in the Consumer Product segment, the revenue for the quarter was INR 377 million an increase of about 17% on a year-on-year basis. The loss for the quarter reduced to INR 14 million versus a loss of INR 28 million for the same period in the previous financial year. Although volumes have shown an improvement in this quarter it was constrained due to certain segments continuing to remain affected due to the restrained economic resumption in key consumer sectors and aftereffects of the COVID lockdown measures and continued social restrictions.

Regarding the financial performance for the financial year 2021 on a consolidated basis, the operating income was INR 14,495 million, which decreased marginally by around 2% on a year-on-year basis. The operating EBITDA reported was INR 2,023 million an increase of about 50% on a year-on-year and a margin percentage stood at 13.96% a growth of 487 basis points. Net profit after tax reported was INR 1,433 million an increase by 52% on a year-on-year and a margin percentage was 9.89% an improvement by 352 basis points.

Now talking about the consolidated segmental performance for the full year 2021 the engineering division turnover was INR 9,407 million which witnessed a marginal increase of just under 1% on a year-on-year basis. The EBIT was INR 995 million, an increase of 29% on a year-on-year. The chemical division clocked revenues of INR 4,396 million a decrease of 6% on a year-on-year while the EBIT for this segment was INR 1,062 million an increase of 45% on a year-on-year.

The consumer product segment turnover for financial year 21 was reported at INR 1,084 million a decline of 14% compared to the previous financial year and loss for the segment was INR 37 million against 70 million last year.

Before I hand over the floor for the question and answers, as intimated to the stock exchange some time back, we are happy to inform you that the company has received a letter of award and contract under the Jal Jeevan Mission for the rural water drinking supply to 1,000 villages in two districts of Uttar Pradesh that is Varanasi and Aligarh. The value of these two projects is approximately around 1,000 crores and the specific value will be determined after the approval of the detailed project reports. The project is to be constructed and commissioned within 21 months from the date of the signing of the contract.

I now hand over the mike back to Anuj for starting the question and answer.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Chetan Vora from Abakkus. Please go ahead.

Chetan Vora: Sir, I wanted to ask you that what has led to the sharp margin improvement both in engineering and the chemical segment for the quarter and going forward how do we see FY22 to plan out in terms of whether this margin improvement is sustainable measure or is there any one off component in that?

Aankur Patni: The margin percentage on a year-to-year basis, we feel is very much sustainable. Various factors have led to the improvements as compared to the previous year. We have seen increased degree of utilization in our chemical segment along with improved efficiencies and throughput which has led to significantly improved margin levels. We have also benefitted from a transient raw material price movement which was slightly favorable to us for some part of the year. The engineering segment has benefitted from an overall improvement in scale, and we have also benefitted because of the mix of contracts which were under execution especially during the last quarter. The favorable margin profile in these contracts has helped ratchet up the overall margins. We have seen margin improvements across all the subcategories within this segment like for the service business, for the small sized engineering contracts with standard equipments and otherwise as well as for the larger sized orders including Sri Lanka. There is also an advantage because of Sri Lanka revenue contributing a percentage of engineering segment revenues. So that is how the margins stack up and as I said in the beginning we do believe that we will be able to sustain these margins overall for the year. As all of you who have been following the company are quite aware that we do see variations in revenues and margins as we move from the first quarter towards the last quarter and invariably the last quarter tends to be the heaviest in terms of both revenue and margins. We expect this trend to continue.

Chetan Vora: But on an annualized basis for the FY21 we did nearly about 10% on engineering and 25% on chemicals whether those will be like sustainable I understand the quarter four margin cannot be extrapolated, but on an annualized number including that the subpar June numbers, so what should be the trajectory just wanted to understand because so far in the history of the company these are by far the superior margins?

Aankur Patni: You are right and we do feel that on an annualized basis we would be aiming to sustain these margins. I can only say with respect to what we are being able to visualize for the current year FY21-22 and barring the uncertainties, we will be able to sustain these margins for this year.

Chetan Vora: Sir, the second question was that we had announced a CAPEX of 100 crores on the chemical plant towards the Greenfield, can you give some more color on that by when the plant will be getting up and running and what is the capacity you had said that you will be coming out with more details during the Quarter 4 concall?

Aankur Patni: We have had a review of the project. We are expecting to setup a plant of a higher capacity and the CAPEX would go up compared to what we had announced earlier. Whilst the exact numbers will be shared later once it is finalised, as a trend I can indicate to you that the CAPEX will be higher than the 100 crore.

Chetan Vora: And the last one from my end the order what you announced just a few minutes back of 1,000 crores whether if we try to assume that contract would have on that way we would be able to make a further double digit margins?

Aankur Patni: Yes we should be in a position to do so.

Moderator: Thank you. The next question is from the line of Pritesh Chheda from Lucky Investment Managers. Please go ahead.

Pritesh Chheda: First on the chemical margin you mentioned that increased utilization and throughputs the top line for the full year is declined, is there a volume expansion which has come to for which you are commenting on utilization and throughput and what would be the gross margin expansion within this EBITDA margin expansion and how much of it is sustainable on the annual basis because one of the reason that you mentioned was also benefitting RM?

Aankur Patni: That is right we are benefitting on all fronts. The improvement which you see at the EBIT level is largely contributed by improved gross margin level on account of factors like efficiency benefits. Obviously we have seen significantly improved capacity utilizations as we moved through the year and the last quarter was much better than the previous quarters that is where we have seen the biggest impact in terms of operating leverage and as I said we would be able to sustain this going forward.

Pritesh Chheda: What is the asset utilization in chemical business that you have?

Aankur Patni: Overall we would be roughly at around 70% for the year.

Pritesh Chheda: And my last question is on the engineering side when I look at the order backlog which was reported in the presentation at about 650 crores is quite similar to what it was last year as well now with this the order that you have got I do not know the quantum of that order because there is O&M angle as well, so do you think that continuing the flattish backlog which you had last year is it a case that we will grow in top line on the engineering side in FY22?

Aankur Patni: Yes we should grow on the top line on the engineering side and the numbers which we have declared for this new contract are not inclusive of the O&M component. As you would have read and heard from the opening comments, there is a significant number of detailed project reports which will need to be drafted, and specifics of each contract the sizes and the quantum of O&M revenues which will accrue later are yet to be accurately determined. So, we should see a higher number in terms of top line.

Pritesh Chheda: Sir I was asking on what should be the top line growth in engineering over the next two years and this 1,000 crore what I feel the press release does it mean that 1,000 crore of the project has to be executed over the next two years?

Aankur Patni: Yes these DPR comprising of roughly around 1,000 villages in totality which need to be covered with these contracts.

Pritesh Chheda: I was just asking that it is a 1,000 crore value of two projects this is pure the construction part?

Aankur Patni: This is the construction part.

Pritesh Chheda: And to be executed over the next 21 months?

Aankur Patni: Yes. So, there are quite a few DPRs. Each of the villages would be executed over a period of approximately 21 months. Overall contract period would therefore be a little bit beyond that .As and when each individual DPR gets approved the execution period starts there from.

Pritesh Chheda: And when does the execution start for this project?

Aankur Patni: We have already initiated work on the contract.

Pritesh Chheda: And sir lastly usually you do not take government contracts due to the working capital cycle, what in your opinion should be the net working capital cycle in this project and is there a advance which is there on this project?

Aankur Patni: Yes there would be an advance on the projects and these are distributed over multiple villages and DPR as we just discussed. The working capital involvement would also get staggered, and the realizations therefore are not expected to be such a big challenge.

Moderator: Thank you. The next question is from the line of Chirag from Athena Shares and Services. Please go ahead.

Chirag: I have a question on engineering order book side, do we see more orders from this Jal Jeevan Mission side going forward and we also are actively participating in this campaign, is my understanding correct?

Aankur Patni: Yes your understanding is partially correct. We are not pursuing this at all places and in all possible contracts and tenders. As we had mentioned earlier we are being very selective about the opportunities which we want to pursue, however, we do expect to get more orders under this scheme.

Chirag: Earlier have we executed such similar products in other name or other category for the same kind of construction work?

Aankur Patni: The Sri Lanka contract that we are executing is in a similar nature, though the overall scope of construction and execution in the Sri Lanka contract is much wider. This contract ,therefore, should not be a challenge to the company either in terms of technology or in terms of other capabilities.

Chirag: Sir, on margin front like export order generally generate more to us, so is there any such problems you are seeing in executing the domestic EPC contracts?

Aankur Patni: We have been very careful on that front and only after very careful evaluation we have decided to work on this particular contract and we do expect that we would get reasonably good margins in this contract.

Moderator: Thank you. The next question is from the line of Sunil Singhania from Abakkus. Please go ahead.

Sunil Singhania: Sir on this UP orders you mentioned that you are going to do the work for some 1,000 towns and villages and therefore you know it might extend beyond 21 months the execution, but is it also possible that this 1,000 crore order might also become bigger as you do the work because it is almost 1,000 towns and villages?

Aankur Patni: That is right this is a conservative estimate that we have put forth. As we complete the DPR the sizes of individual contracts would tend to go up depending upon the nature of treatment process involved. Evaluation of what would be the specifics of the various contract would happen over a period. Hence we have put forth a conservative number.

Sunil Singhania: Sir when do we start execution on this?

Aankur Patni: We will be starting the execution on the DPR very shortly we have already hit the ground running in terms of these contracts. So, the initial gestation period for the first of these executions is not going to be very long.

Sunil Singhania: Sir one last question from my side now globally people are talking about spending by government on infrastructure even in India the same is the case we have a lot of schemes going on and now private CAPEX is also sort of starting to look plus obviously clean water and environment has become now a big sort of a mainstream issue, are you seeing green shoots in terms of inquiries and can we expect the order book to significantly go up as you move ahead?

Aankur Patni: Yes very much. We are seeing a lot of traction in the domestic as well as international markets. The opportunity flow has gone up quite a bit as we hit this calendar year. The international markets have responded to the reduction in the overall level of pandemic and I do expect the domestic market would follow through. For a brief period over the last couple of months we did see a slight pause but we have again started to see increased level of opportunity flow. So, I am very hopeful that the coming year would be much better in terms of order booking.

Moderator: Thank you. The next question is from the line of Saurabh Shah from AUM Advisors. Please go ahead.

Saurabh Shah: Sir first question was on each of the segment if you could tell us over a three year period what kind of growth do you see on revenues on the engineering segment and on the chemical segment regarding capacity as well so what kind of numbers will you put on the growth?

Aankur Patni: Very difficult to give you projection over a longer period. We are hoping for a 20% and above kind of a growth during this year on an overall basis and I would be also be hopeful of the growth at similar or higher level to sustain over a longer period of time, but that is much more risky projection to make because the situation is always evolving. However, based on the current scenario and the uptick which we are seeing in the opportunity flow I would hazard a guess and say that our revenue growth should be in the region of 20% plus.

Saurabh Shah: And for the chemical sir what are you seeing change in the growth from the export market, how do we see that segment you have specific advantages which let you increase the growth in the overseas market with the higher requirement more range for enforcement of these water discharge regulations and those things?

Aankur Patni: We are seeing very good response from the international market for our various chemical products. The international foray has been led by the various product lines and we are expanding that into more product ranges as we go forward. We continue to receive good response on all these fronts. The advantage which we carry is based on our ability to provide a good product technological abilities as well as being able to provide it at a price point which is acceptable to the customers and last but not the least providing a very good after sale support. So, we do expect that the benefits to continue over medium to long term period and we should be able to continuously improve our presence in the international market.

Saurabh Shah: We are trying to get some more color on that what kind of technology change do you expect or you expect any increase in R&D investment be substantial or on the same basis as a past it is more incremental to get these kinds of opportunities to grow?

Aankur Patni: We will continue to spend on R&D and our intent is to invest more and more on improving our overall product range and product profile. I would not be able to really comment on exact quantum which we envisage, but just a direction that we do expect an overall growth in our expense on R&D. This is not just to take care of the current product lines we are also working on increase in the overall scope of the products. Recently we started the membrane side of business and that is also picking up very well. We expect to add more value-added products to our range.

Saurabh Shah: Sir any need to make an acquisition for this membrane for next level technologies from the international markets or anyone else any such disproportionate investment?

Aankur Patni: We continue to look at opportunities and when we do get something which meets our requirement we will certainly evaluate.

Saurabh Shah: Last question from my side again on the same front any end industry that we expect to become a much larger portion for us like pharmaceuticals any such industry which is becoming more important than the larger proportion of our revenue on the chemical side?

Aankur Patni: The chemical segment addresses quite a wide range of industries. Traditionally the heavy industries segment which is industries like power or steel or petrochemical which have had a larger share of this business. The intent which we have is to increase the presence of more value-added products which go into specific sector and very specific applications however these are spread out over a wide breadth of industry sectors including pharmaceutical, food and beverage textile etc.. I am not in a position to accurately forecast how the bias towards any particular industry is going to change in the long term, it is a continuous process of variation.

Moderator: Thank you. The next question is from the line of Sunil Kothari from Unique PMS. Please go ahead.

Sunil Kothari: Sir I was trying to understand is our view has changed on taking domestic and government projects and what has changed if you can qualitatively talk something more on this?

Aankur Patni: We have always been very selective on this, and we continue to be. As far as I can project at this stage this trend will not change in future. This is a very carefully selected opportunity, and we do not foresee a challenge on the execution. Further, the collections and the margins are fitting our appetite. In future also we would be keeping a similar criteria and hence the opportunities that we would follow would be limited.

As you may be aware that we are pursuing a few of government opportunities in the international markets as well. They have a profile like the Sri Lankan contract and we have tried to keep a high standard in terms of risk evaluation and mitigations to the extent feasible. This trend is unlikely to change in future.

Sunil Kothari: Sir my second question is we being a very cautious, but conservative management looking at the opportunity in water chemical and the way we are getting better and better margin and return profile so we expedite our investment came or investment in chemical segment or are we planning those if you can throw some light because since last some time we are talking about big Green field project, but we are not aware about how much investment we are going to make, what is your thought process if you can throw some more light on this?

Aankur Patni: We are quite actively working on the new project as I mentioned to the previous caller. We are relooking at the capacities which we want to setup. There has been upward revisions in terms of the plant capacity and there is some degree of technology innovation also which is being brought in. Hence there is a slight delay and rework on the overall CAPEX planned, but we would be undertaking this very shortly and we would see that this capacity coming on stream somewhere around the end of FY23.

Sunil Kothari: My last question is on this we have many subsidiaries locally also domestically and you are saying that we are consolidating those listed entity, any progress or any updates if you want to say?

Aankur Patni: Yes we are working towards such a consolidation. Because of unfortunate state of pandemic that we were all in, there was a slight delay or disruption in this process. We would be again picking this up in earnest and we should be announcing a few of these initiatives in the coming quarters.

Moderator: Thank you. The next question is from the line of Mukul Agarwal from Param Capital. Please go ahead.

Mukul Agarwal: Sir my question is regarding this 1,000 UP contracts so in the stock exchange notice that you have mentioned you will be preparing DPR and based on DPR the exact amount of the project cost will be determined hence these are government contracts, so have we got it in competitive bidding or due to our expertise we have been awarded this contract one and second is who will be funding this project either state government will be funding or Central government will be funding or how does it work?

Aankur Patni: This contract is under the Jal Shakti Mission which is run by the Central Govt. and the process of bidding for the contract involved selection of certain bidders based on technical and other criteria and it was a competitive bidding process.

Mukul Agarwal: So there is no risk of since if post DPR if the contract, say the cost escalates to what is estimated there is no risk of getting cancelled or reaching by the government?

Aankur Patni: No, the government has adopted quite fair process. As the DPR gets finalized the scope for each village and the scheme of treatment would get determined and the cost of executing those projects would get firmed up. We do not see any risk or challenge associated with this as of now.

Moderator: Thank you. The next question is from the line of Rajesh Kothari from AlfAccurate. Please go ahead.

Rajesh Kothari: Sir my first question is in the chemical business if I look at last two, three years revenue it is a quite flattish revenue for around 400, 430 crores, but if I look at PBIT it has almost doubled in absolute terms as well as from the margins perspective you mentioned that one of the reason is price increase, but generally price increase also get reflected in the corresponding increase in the revenue which is not the case, so I would like to know what is the key reason for improvement in profitability, is it a product mix, is it a change in application, is it a cost competitiveness, can you explain what is the reason for this?

Aankur Patni: We have undertaken capacity expansion and other improvements on the capital side over the course of the last two, three years. Secondly, there has been change in the profile of the products and margin associated with the product mix. And there has also been, as I had mentioned earlier, improvement in the overall efficiency and throughput which has given us advantage in the margins. The favorable input price movement has also helped us to some extent in terms of increasing our margins. So, there are host of reasons not just a single one.

Rajesh Kothari: And how do you see the margins in the chemical segment do you see further improvement in a product mix, how do you see these margins?

Aankur Patni: Further improvement is an ongoing process. It is our intent to continue to try and improve the overall profile of our products. It is difficult to predict it over a longer period. As we see it today, we should be in a good position to maintain the current margin profile for the year as a whole.

Rajesh Kothari: So basically, what you are saying is the product mix has changed, so can you give a little bit more color into this that what do you mean by this can you classify for example the low margin versus high margin business kind of application which would have changed in last three years some ….

Aankur Patni: That is not something which I would like to discuss on the call, but there have been a few product lines which we have added that are giving us better margins and some others which we have dropped where we were not doing so well on the margin front. We will continue to cull out specific product lines and applications where we are not making adequate margins and further keep adding products where the margins are better.

Moderator: Thank you. The next question is from the line of Renjith Sivaram from ICICI Securities. Please go ahead.

Renjith Sivaram: Sir you had mentioned there are around Rs. 6,000 crore pipeline so which are the major **sectors that** these are one of the refineries oil and gas projects in the pipeline so is it included in that bid pipeline or it is excluding that?

Aankur Patni: The bid pipeline would include projects from the refinery segment wherever we are interested. This particular figure of 6,000 also includes the contract which we just announced which would now move away from the enquiry pipeline into the order book.

Renjith Sivaram: The remaining 5,000 which are the large project is it largely pertaining will oil and gas or it is any other municipal order which you have already worked?

Aankur Patni: There are very few in the municipal segment which are included in that inquiry pipeline. There would be a slight concentration when it comes to the heavy industry, which includes the steel sector, power sector as well as the petro & refinery sector, but as such it is quite a widely distributed inquiry book.

Renjith Sivaram: Sir is there any chance for us to participate in Chennai desalalination with a partner or we do not want to look at desalination at this point in time?

Aankur Patni: We actively participate in a number of desalination projects in the industrial segment. When it comes to the municipal segments, there are various other challenges that need to be overcome and we would participate only if we are being able to overcome those challenges.

Renjith Sivaram: Sir, if you can like how was the competition for this which you have won, is there any dealing with the state government or is it completely with the Namami Gange center team, there is no relation or there is no dealing with any state government in this project?

Aankur Patni: One would need to operate and execute it on the ground and hence there is involvement with the state government and the district level administration that is where the projects gets identified and the DPRs get created and approved. In terms of overall control and monitoring of these projects these are centralized into the Jal Shakti Ministry.

Moderator: Thank you. The next question is from the line of Faisal Hawa from H.G Hawa and Co. Please go ahead.

Faisal Hawa: Am I right in looking at statement that this whole market EPC and this business should see very little competitive intensity going forward, so mostly the peers are not that organized and to have survived decades of almost getting no orders, so our companies now really very well placed to really get a large portion of these orders that is one, second is how do you see the IRCTC opportunity playing out because in their annual report they clearly say that they want to setup at least 7 to 8 more plants is there some way that we would participate in that too that appears like a monopoly water suppliers all over India to railway stations?

Aankur Patni: So responding to your question on IRCTC, we have been actively working with the railways for quite a few years and we have enjoyed significant proportion of the business in the past. We will continue to engage and participate in these opportunities and are hopeful that we will get a share of this opportunity. On the overall question of competitiveness within the EPC space, I would not say that the intensity is low or that we are one of the very few. There are a quite a few participants, both the new and the old ones, which together offer a reasonably high degree of competition. EPC, per se, is a difficult business, and one has to be very careful in making sure that in the heat of the competition we do not end up compromising the bottom line. Therefore, inspite of the high quantum of opportunities, we will remain conservative and make sure that we are only participating in case the opportunity meets all the criteria with respect to cash flow, margins and the other filters that we put.

Faisal Hawa: Sir we have been very conservative in taking orders and whom we deal with so do not feel that UP is a very tough ball to face first up?

Aankur Patni: We have evaluated the scenario at the ground level as well as the overall commercial and contractual profile. As things stand today, we feel that we have taken adequate precautions to cover the visible risks and do hope that this contract will turn out to be a good one for us.

Moderator: Thank you. The next question is from the line of Saket Kapoor from Kapoor and Company. Please go ahead.

Saket Kapoor: Sir we take the consumer product part of the story what are the reasons that attributes a losses in the segments and what steps are we taking to reverse the same, what is the product profile there, there has been a dip in revenue how do you explain this?

Aankur Patni: Out of basket of products and solutions that we offer, the consumer segment is one of the most dependent on face-to-face customer connect. As you know such interactions faced severe challenges during the course of last year and we continue to see some challenges even during this current quarter. That is one of the primary reasons why we saw muted performance from the segment. Some of the sectors addressed by this segment include the hospitality sector, the education and the real estate sector. All of these have been hit pretty badly by the pandemic. I am hopeful to see a reasonably good growth from this segment during the current year. Therefore, while we may not have achieved the turnaround in terms of the bottom line in the last year, I am hopeful that this year we will see that turnaround.

Saket Kapoor: What is the potential sir if you just continuing to the first question only what is the potential of this segment going forward when the normalcy is there in the system, what kind of margins can we expect and the product profile can you elaborate?

Aankur Patni: We offer a wide basket of products for this segment. The range of products we offer would stretch from a typical RO which we would put in your kitchen to a customised water & waste water treatment system for an apartment complex. It also offers products to the rural market inter alia including products for handling toxic contaminants like arsenic and fluoride, community drinking water or sewage treatments plants. I mean the product line is pretty widespread and we are quite hopeful that as scale of operations picks up in this particular segment it would be able to deliver good bottom line numbers.

Saket Kapoor: The second question pertains to this raw material basket what constitute the major raw material as in the chemical segment also and for that EPC part also and the inflationary trend that are prevailing all across the board how are we insulated if you could give the mix of the on the basket part?

Aankur Patni: We use a wide range of raw materials commensurate with the variety of products manufactured by us. I can give you a directional answer to the question rather than getting into very specific details. The steel and cement price movements would certainly have an impact on our engineering business. Similarly, the petrochemical prices and other commodity price movements on the chemical front would have an impact on our chemical segment. We expect to end up having some impact on the margins under the current scenario where we are witnessing steep increases and variations in prices across various commodities We normally try and insulate ourselves by way of various contractual measures and also try to pass on these cost increases to the customers. This however does not happen immediately and there tends to be a small lag which could be in the range of around a month or month and half depending upon individual contracts and customers.

Saket Kapoor: On the Sri Lankan order part as you have told there is a similarly between the order which we have executed or is in the anvil to be executed at Sri Lanka what has been the size of order and how long you have been there in Sri Lank if you can give the mix of your domestic and international business in the EPC segment and the order book?

Aankur Patni: If I understood it right, one of the question that you were trying to ask was about the status of the Sri Lanka order execution. Sri Lankan order execution is going reasonably well, approximately 75% of the contract is completed. Sri Lanka has also seen resurgence of COVID infections and hence the country continues to impose restrictions of various kind and the contract obviously gets little bit impacted. Therefore, we are expecting a little bit more of a delay compared to our last announcement. , Barring this the execution continues to go well .You asked about a split of business between domestic and international, Vasant can you provide a broad directional number on that.

Vasant Naik: In terms of the international business, it is roughly in the region of around 50% of the total revenue in the engineering segment.

Moderator: Thank you. The next question is from the line of Indrajit Chakraborty an Individual Investor. Please go ahead.

Indrajit Chakraborty: I just had one question which is that you had said a while ago that the company is pursuing some more large opportunities in the international market, now my question is that what is the possibility in the next one year the company winning any other large order like this 1,000 crore?

Aankur Patni: We are quite hopeful that we would be able to announce at least one or two such order wins, but as such it is very difficult to project the exact timeline when these opportunities mature. I can tell you that we are at an advanced stage of discussion on quite a few of such opportunities and hopeful that we would be able to see at least one or two of these materialize during the course of the year.

Moderator: Thank you. The next question is from the line of Anil Kumar Sharma an Individual Investor. Please go ahead.

Anil Sharma: I have one question last concall you have mentioned that our company is not listed on NSE, so if we get it listed on NSE it will be a great advantage to the shareholder investor, so is there any process?

Aankur Patni: Yes there is a process underway to try and get the company listed on NSE.

Milind Puranik: We are in the process of listing our shares on NSE, but due to the current pandemic, there is a restriction on movement of legal documents which is a requirement for coordination with the NSE. So, as soon as the situation normalizes., we will again coordinate with NSE and try to expedite the process.

Anil Sharma: In this half year or next half year by 30th September it will be done I think sir is it possible?

Milind Puranik: We are trying to do it as soon as possible, but because of this uncertainty we are unable to commit any date.

Anil Sharma: Sir one more question I have only one question do you think that this type of repetition last quarter repetition can be there in the current quarter or there will be some mishap?

Aankur Patni: I was not clear about the question.

Anil Sharma: Sir our current quarter results last quarter fourth quarter results are excellent and what do you think in the current quarter which is going on there is some pandemic effect is there or can we expect the same number?

Aankur Patni:: If you look at the trends for the past few years, the fourth quarter always tends to be one of the heaviest quarters. I do not expect the trend to change. In the current quarter, which is April to June 21, we did get impacted by the pandemic. The various restrictions across the country in terms of social interactions, the movement of manpower, the logistic challenges etc. which were experienced will have an impact during the course of the current quarter.

Moderator: Thank you. That is the last question. I would now like to hand the conference over to Mr. N M Ranadive from Ion Exchange India Limited for closing comments.

N M Ranadive: Good evening. Thank you all for participating in this earnings concall. I hope we have been able to answer your questions satisfactorily. If you have any further questions or would like to know more about the company please reach out to our investor relations managers at Valorem Advisors. Thank you and have a wonderful evening.

Moderator: Thank you. On behalf of Ion Exchange India Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.