August 18, 2026

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

Sub.: 62nd Annual Report for the financial year 2025-26

Dear Sir/ Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), please find enclosed herewith Annual Report along with Notice of the 62nd Annual General Meeting (AGM) and other Statutory Reports of the Company for the financial year 2025-26.

The same is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ its Registrar and Share Transfer Agent / Depository Participants. Further, in accordance with Regulation 36(1)(b) of the SEBI Listing Regulations, the Company is also sending a letter to those members whose e-mail addresses are not registered with Company / Registrar and Transfer Agent / Depository Participants providing the weblink from where the Annual Report can be accessed on the Company's website.

The Annual Report along with the Notice of 62nd AGM is also available on the website of Company at www.ionexchangeglobal.com.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For Ion Exchange (India) Limited

NIKISHA YOGESH SOLANKI
Digitally signed by NIKISHA YOGESH SOLANKI
Date: 2026.08.18 16:48:57 +05'30'

Nikisha Solanki
Company Secretary & Compliance Officer
ACS-50894

Encl: As stated above

ION EXCHANGE

Refreshing the Planet

FUTURE READY...
GLOBALLY FOCUSED...

Customer First | Strengthening Infrastructure | Expanding Globally | Advancing Innovation | Driving Sustainability | Service Excellence

62nd Annual Report | 2025-26

POWERING PROGRESS, RESPONSIBLY

State-of-the-art solvent-free Resin manufacturing facility, Roha, Maharashtra, India

Designed to deliver high-performance INDION® Resins while reducing resource consumption and environmental impact

> "Responsible manufacturing using resources efficiently, reducing our environmental footprint and creating sustainable value for the future"

RENEWABLE ENERGY

550 kWp Rooftop Solar

Reducing dependence on conventional energy through renewal power

CLEANER MANUFACTURING

Solvent-free by design

Solvent-free Resin production reduces emissions and environmental impact, enabling cleaner manufacturing

MINIMISE WASTE

Recover. Reuse. Reduce.

ZLD enables water recovery and reuse, minimising freshwater use and eliminating liquid effluent discharge

ENERGY EFFICIENCY

Smarter energy use

IE3 motors, VFDs, efficient chillers and drying systems optimise energy usage

FROM THE DESK OF THE
EXECUTIVE CHAIRMAN

Dear Shareholders,

Water has emerged as one of the defining challenges of our century. At a time when geopolitical uncertainties, climate-related disruptions and resource constraints are reshaping economies and supply chains worldwide, the importance of securing sustainable access to water has never been greater.

Having witnessed the evolution of the water industry over the past five decades, I have never seen the need for sustainable water management more urgent - or the opportunities before our industry more promising.

At Ion Exchange, this understanding has shaped our journey for over 62 years. As global attention turns to sustainability, resource recovery and water security, our integrated water and wastewater management approach enables us to create long-term value for customers and shareholders alike.

A significant milestone in this journey was the commencement of stage-wise commissioning and commercialisation of our new state-of-the-art Resin manufacturing facility at Roha during the year. This strategic investment not only strengthens our manufacturing capabilities to support future growth but also embodies our vision for sustainable manufacturing. Built around the principles of circular economy and resource efficiency, the facility incorporates non-solvent manufacturing processes and an integrated Sulphuric Acid Regeneration (SAR) system with a Zero Liquid Discharge (ZLD) framework. Through resource recovery, waste minimization and the use of renewable energy, the facility demonstrates how industrial growth can be aligned with responsible environmental management.

This philosophy extends beyond our own operations and into the solutions we provide our customers. A notable example is our pyrolysis unit at Ankleshwar, which addresses the growing challenge of membrane disposal by converting waste into useful energy, supporting responsible end-of-life management and resource recovery.

These developments are particularly relevant in a world facing increasing water stress. As conventional freshwater sources come under pressure, desalination and wastewater reuse are becoming essential components of future water strategies, with membrane technology serving as a critical enabler. Recognizing the significant growth potential of this market, we are expanding our membrane manufacturing capabilities to meet rising demand for desalination, water reuse and advanced purification applications.

What distinguishes Ion Exchange is the breadth and depth of our capabilities. We are uniquely positioned as a fully integrated water and environment management company, offering solutions across the entire value chain - from ion exchange resins, membranes and specialty chemicals to engineering systems, digital solutions, operations and lifecycle services. With our diversified portfolio, technology leadership and strong execution capabilities, we are well positioned to deliver impactful solutions for customers worldwide and to create sustainable long - term value.

As we look ahead, our commitment remains unwavering - to innovate responsibly, address the world's most pressing water and environmental challenges and build a business that generates enduring value for all stakeholders.

I thank our shareholders for their continued confidence, our customers for their enduring partnerships and our employees whose dedication drives our success. Together, we will continue advancing our mission of creating a more sustainable and water-secure future for generations to come.

Rajesh Sharma
Executive Chairman

FROM THE DESK OF THE
MANAGING DIRECTOR & CEO

Dear Shareholders,

The global conversation around water is undergoing a fundamental shift. What was once viewed as a utility is increasingly being recognized as a strategic resource, critical to industrial growth, environmental sustainability and economic resilience. As industries seek to improve resource efficiency and governments invest in long-term water security, demand for reliable and sustainable water management solutions continues to expand.

Against this backdrop, our focus during the year remained on strengthening the foundations for Ion Exchange's next phase of growth. While market conditions varied across regions and industries, we continued to invest in capabilities, technologies, processes and people for strengthening our competitiveness. This disciplined approach has guided our evolution over six decades.

A key element of this strategy is the continued expansion of our international footprint. During the year, we sharpened our focus on select countries across Asia Pacific, the Middle East and Africa, Europe and the United States and Canada. Building a meaningful international presence is essential to creating a more diversified and resilient business.

Beyond geographic expansion, emerging sectors such as semiconductors, data centres, green hydrogen, lithium extraction and advanced resource recovery are creating new and evolving requirements for water management. In response, we strengthened our capabilities in ultrapure and high-purity water, desalination, wastewater recycling and reuse, PFAS treatment, digital water management and solutions supporting the hydrogen economy. These solutions combine reliability, efficiency and sustainability, aligning with the convergence of industrial growth, environmental responsibility and technological advancement.

What distinguishes Ion Exchange is the breadth of expertise we have built. By bringing together products, technologies, engineering, services and digital solutions, we address complex customer requirements through an integrated approach, strengthening our engagement across the water and environmental lifecycle.

Behind every project delivered, customer relationship strengthened and innovation introduced stands the commitment of our people. Their knowledge, professionalism and ability to adapt remain among Ion Exchange's greatest strengths. As we prepare for the opportunities ahead, we remain focused on fostering a culture of learning, collaboration, accountability and innovation, recognising that long-term success is built not only through investments in technology and infrastructure, but equally through our people, whose dedication and shared purpose continue to drive our progress.

Complementing this focus on people is our ongoing process transformation journey. Across the organization, we are applying lean six sigma by simplifying processes, improving efficiency, strengthening project execution and leveraging digital tools to enhance responsiveness and scalability. These efforts are creating a more agile and resilient enterprise, better equipped to meet customer expectations and capture emerging opportunities.

Looking ahead, we remain encouraged by the long-term outlook for the water and environmental sector. The need for water security, resource efficiency, environmental protection and sustainable industrial growth continues to grow worldwide. These structural drivers reinforce the relevance of our purpose and capabilities.

I would like to thank our customers for their continued trust, our employees for their dedication and commitment, our partners for their support and our shareholders for their confidence in Ion Exchange. Together, we will continue to build on our strengths, remain focused on long-term value creation and contribute to a more sustainable and water-secure future.

Indraneel Dutt
Managing Director & CEO

BOARD OF DIRECTORS

Mr. Rajesh Sharma	Executive Chairman
Mr. Dinesh Sharma	Vice-Chairman
Mr. Aankur Patni	Vice-Chairman
Mr. Indraneel Dutt	Managing Director & CEO
Mr. M. P. Patni	Non-Executive Director
Mr. David Rasquinha	Independent Director
Mr. Sanjay Joshi	Independent Director
Mr. Amitava Guharoy	Independent Director
Mr. Gopalaraman Padmanabhan	Independent Director
Mrs. Alka Arora Misra	Independent Director

SENIOR MANAGEMENT

Mr. Rajesh Sharma	Executive Chairman
Mr. Dinesh Sharma	Vice-Chairman
Mr. Aankur Patni	Vice-Chairman
Mr. Indraneel Dutt	Managing Director & CEO
Mr. Vasant Naik	Group Chief Financial Officer
Mr. Dinesh Sadasivan	President – Standard System & Chief Manufacturing Officer
Mr. Rajesh Srivastava	President – Chief Human Resource Officer
Mr. Ashok Olla	President – Services
Mr. Dheeraj Kohli	President – Projects
Mr. C. K. Sandeep	Executive Vice President – International Division
Mr. Yogesh Bajpai	Executive Vice President – Zero B
Dr. N. Anbananthan	Executive Vice President – Pharma & Resin Division
Mr. Paresh Ballikar	Executive Vice President – Chief Audit and Risk Officer
Mr. Venkatanath Kandalla	Executive Vice President – Industrial Chemical Division
Mr. Manish Gandhi	Executive Vice President – Business Development & Government Advocacy
Mr. Arjun Bhattacharyya	Executive Vice President – Chief Technology & Digital Officer
Mr. Vivek Mukundan	Executive Vice President – Engineering
Mr. Sridhar Padmanaban	Executive Vice President – Membrane Division

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Nikisha Solanki

REGISTRAR & SHARE TRANSFER AGENT

M/s. MUFG Intime India Private Limited
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg
Vikhroli (West) Mumbai – 400 083
Tel No.: 022-49186000
Email: csg-unit@in.mpms.mufg.com
Website: https://in.mpms.mufg.com

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.

STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells LLP

SECRETARIAL AUDITORS

M/s. GMJ & Associates

ADVOCATE & SOLICITORS

Crawford Bayley & Co.

Contents

NOTICE

NOTICE is hereby given that the Sixty-Second Annual General Meeting ("AGM") of the members of Ion Exchange (India) Limited ("the Company") will be held on Friday, 11th September, 2026 at 11:00 AM 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 Statements and Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026 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. Dinesh Sharma (DIN: 00051986), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Ratification of Remuneration of Cost 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 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), a remuneration amounting to INR 4,75,000/- (Rupees Four Lakh Seventy Five Thousand Only) plus applicable taxes and out of pocket expenses payable to M/s. R. Nanabhoy & Co., Cost Accountants, Mumbai (Firm registration No. 000010), 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, 2027, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and is hereby severally authorized to do all acts, deeds and things including filing of necessary forms, documents, applications and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

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

By Order of the Board

Nikisha Solanki
Company Secretary & Compliance Officer

Mumbai, 26th May, 2026

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, September 25, 2023, September 19, 2024, September 22, 2025 (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") MCA Circulars and SEBI 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.

Details of Directors seeking appointment/re-appointment as required under Regulation 36(3) of SEBI Listing Regulations and Secretarial Standards on General Meetings:

Name	**Mr. Dinesh Sharma**
Category	Non-Executive Non-Independent Director
Designation	Vice-Chairman
Date of Birth	20-11-1964
DIN	00051986
Nationality	Indian
Date of Initial Appointment	24-01-2006
Qualification	B.Sc.
Expertise	Mr. Sharma possesses vast experience in the fields of business management, marketing and corporate leadership. He also serves on the Boards of various companies and is a member of several Board Committees.
Terms and Conditions of Appointment	Non-Executive Non-Independent, Vice-Chairman, liable to retire by rotation
Details of Remuneration sought to be paid	Not Applicable
Remuneration last drawn	Not Applicable
Number of shares held in the Company	57,12,710 shares
Relationship with other Directors, Manager and other key managerial personnel of the Company	Mr. Dinesh Sharma is related to Mr. Rajesh Sharma, who is an Executive Chairman of the Company.
Chairman/Director of Other Companies	1. Ultrafresh Modular Solutions Limited 2. Ion Exchange Environment Management (BD) Ltd. 3. Aquanomics Systems Ltd. 4. Rockmen Merchants Ltd 5. Ion Exchange Asia Pacific Pte. Ltd. (Singapore) 6. Ion Exchange Europe, Lda 7. Mapril – Produtos Químicos E Maquinas Para A Industria, Lda
Chairman/Member of the committees of the Company and other Company(s)	Member/Chairman of the following committees of Ion Exchange (India) Ltd. 1. Risk Management Committee (Member) Member/Chairman of the following committees of Aquanomics Systems Limited. 1. Nomination and Remuneration Committee (Member) Member/Chairman of the following committees of Ultrafresh Modular Solutions Limited: 1. Stakeholders Relationship Committee (Chairman)
No. of Board Meetings attended	6 out of 7

3. Dividend, if declared at the meeting will be paid subject to deduction of tax at source within 30 days to those members (holding shares in physical form) whose names appear on the Register of members as on 31st August, 2026 and to those beneficial owners (holding shares in electronic form) whose names appear in the Beneficiary report furnished by the depositories. Further, as per the SEBI (Listing Obligations and Disclosure Requirements) Fifth Amendment Regulations, 2025, with effect from 18th November 2025, dividends shall be processed only in electronic mode, and payment through dividend warrants or cheques has been discontinued.

4. 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.ionexchangeglobal.com and on the website of M/s. MUFG Intime India Private Limited (RTA) at www.in.mpms.mufg.com. Members are requested to note that any service request would only be processed after the folio is KYC Compliant.

5. A letter containing a weblink for accessing the Notice and Annual Report for the financial year 2025-26 will be sent to those shareholders who have not registered their email address with the Company/Depositories/ RTA.

6. 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 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 RTA to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.

7. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.

8. Unclaimed Dividend for the period 2017-18 has been transferred to Investors Education and Protection Fund, pursuant to Sections 125 of the Act. Shareholders who have not claimed Dividend for the period 2018-19 and subsequent years are advised to write to our RTA.

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 83,526 shares to the Investor Education and Protection Fund Authority during the year 2025-26.

10. As per the provisions of Section 72 of 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 at www.ionexchangeglobal.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, 2026. The same shall be replied by Company suitably.

12. The Company has been maintaining, inter alia, the following statutory registers at its registered office:

    - Register of contracts or arrangements in which Directors are interested under section 189 of the Act.

    - 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 2025-26 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 2025-26 will also be available on the Company's website www.ionexchangeglobal.com 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 respectively.

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 csgexemptforms2627@in.mpms.mufg.com on or before 7th September, 2026.

18. 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 on or before 7th September, 2026.

19. The Board of Directors of the Company, at its meeting held on 26th May, 2026 has appointed, Practicing Company Secretary having COP No. 1705 as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-Voting (votes casted during the AGM and votes casted through remote e-Voting), within 2 working days of the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the Stock Exchanges, NSDL & RTA and will also be displayed on your Company's website.

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

21. **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 remote e-voting period commences on Monday, 7th September, 2026 (9.00 a.m) and ends on Thursday, 10th September, 2026 (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, 2026 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.

(iii) 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.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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. 2. 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. 3. 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 4. 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 or joining virtual meeting & voting during the meeting. 5. 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** App Store Google Play

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. 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 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 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.com or call at 022 - 4886 7000
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 toll free no. 1800-21-09911

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 user 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:

   a) 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.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) 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 and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting 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.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
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.com. 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: 022 - 4886 7000 or send a request to Mr. Sagar S. Gudhate, Senior Manager at evoting@nsdl.com

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 shareholders 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.com 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.
5. 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.

6. 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).

7. 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, 2026.

8. 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, 2026 may obtain the login ID and password by sending a request at evoting@nsdl.com or to the Registrars M/s. MUFG Intime India Private Limited at csgunit@in.mpms.mufg.com.

9. 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.

10. 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.

11. 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.

12. 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.

13. 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.

14. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.ionexchangeglobal.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.

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

a. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the 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 to avoid last minute rush.

b. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

c. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.com or call on toll free no. 022 48867000 or contact Mr. Amit Vishal or Ms. Pallavi Mhatre at the designated email id - evoting@nsdl.com.

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, email id, mobile number at investorhelp@ionexchange.co.in on or before 7th September, 2026. 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.

23. The Instructions for Members for E-Voting on the day of the AGM are as under:

a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

b) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

c) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

d) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

By Order of the Board

Nikisha Solanki
Company Secretary & Compliance Officer

Mumbai, 26th May, 2026

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 No. 4 of the accompanying Notice:

Item No. 4

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the remuneration payable to the Cost Auditor of the Company is required to be ratified by the Members.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company, at its meeting held on 26th May, 2026, approved the appointment of M/s. R. Nanabhoy & Co., Cost Accountants, Mumbai, as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027, at a remuneration of INR 4,75,000/- (Rupees Four Lakh Seventy-Five Thousand Only), plus applicable taxes and reimbursement of out-of-pocket expenses.

The Board recommends the Resolution set out at Item No. 4 of the accompanying Notice for approval and ratification by the Members.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the accompanying Notice.

Registered Office:
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CIN: L74999MH1964PLC014258

By Order of the Board

Nikisha Solanki
Company Secretary & Compliance Officer

Mumbai, 26th May, 2026

DIRECTORS' REPORT

To,

The Members,

Your Directors take pleasure in presenting the 62nd Annual Report and Accounts for the financial year ended 31st March, 2026.

FINANCIAL HIGHLIGHTS

The highlights of the financial results are as follows:

(INR in Lacs)

Particulars	Standalone		Consolidated	
	Year ended March 2026	Year ended March 2025	Year ended March 2026	Year ended March 2025
Revenue from operations	267,890.54	254,006.25	291,484.13	273,710.84
Other income	9,494.63	5,114.74	8,656.34	4,860.82
Earnings before interest, taxes, depreciation	27,928.38	33,639.64	29,672.06	34,241.74
Finance cost	2,054.06	838.46	2,400.24	1,345.56
Depreciation and amortization expenses	5,758.37	3,999.23	6,260.25	4,448.94
Profit before exceptional item and tax	**20,115.95**	**28,801.95**	**21,011.57**	**28,447.24**
Less: Exceptional item	1,454.41	-	1,689.04	-
Profit before taxation	**18,661.54**	**28,801.95**	**19,322.53**	**28,447.24**
Add: Share of profit/(loss) of associates (net of income tax)	-	-	171.07	100.48
Less: Tax expense:				
Current tax	5,470.92	7,300.24	5,892.18	7,687.61
Deferred tax change	(647.30)	53.44	(718.60)	34.63
Profit after tax	**13,837.92**	**21,448.27**	**14,320.02**	**20,825.48**
Other comprehensive income (Net of taxes)	(60.61)	(8.56)	698.93	17.32
Total Comprehensive Income	**13,777.31**	**21,439.71**	**15,018.95**	**20,842.80**

OPERATIONS

During the financial year ended 31st March 2026, the Company reported a standalone net profit after tax of INR 13,837.92 Lacs, as compared to INR 21,448.27 Lacs in the previous year. The decline in profitability was primarily attributable to an increase in interest and depreciation costs relating to the Roha plant, higher raw material costs, and the impact of the enactment of the new labour legislation.

The Company recorded a turnover of INR 2,679 crores during the year, compared to INR 2,540 crores in the previous year, representing a growth of approximately 5.5%.

DIVIDEND

For the financial year 2025-26, the Board has recommended a dividend of INR 1.25 per Equity Share of face value of INR 1/- each (previous year: INR 1.50 per Equity share of face value of INR 1/- each).

FUTURE OUTLOOK

As we look ahead, we remain optimistic about the long-term prospects of the global water and environmental management industry. While businesses across the world continue to navigate geopolitical uncertainties, evolving trade dynamics and macroeconomic challenges, the fundamental drivers shaping our industry have never been stronger. Water security, sustainability, climate resilience and resource efficiency are no longer environmental priorities alone—they have become strategic imperatives for governments, industries and communities worldwide.

Across global markets, we are witnessing a significant shift in how water is valued and managed. Increasing water stress, population growth, urbanization and stricter environmental regulations are driving investments in advanced water treatment, wastewater recycling, desalination, water reuse and resource recovery solutions. At the same time, the transition toward a circular economy is encouraging organizations to view water not as a consumable resource, but as an asset that can be recovered, reused and optimized throughout its lifecycle.

New-age industries are further reshaping the opportunity landscape. Sectors such as semiconductors, electronics, pharmaceuticals, biotechnology, data centres, battery manufacturing and green hydrogen are creating unprecedented demand for high-purity and ultrapure water systems, alongside advanced wastewater management solutions.

Climate change continues to influence investment priorities globally. The increasing frequency of droughts, floods and extreme weather events is accelerating the need for resilient and decentralized water infrastructure. Simultaneously, digital technologies—including AI, IoT, automation and advanced analytics—are transforming how water assets are managed, enabling customers to improve efficiency, optimize costs and enhance system reliability.

From an India perspective, the opportunity is particularly compelling. India continues to be one of the fastest-growing major economies, supported by strong infrastructure development, manufacturing expansion and a sustained focus on economic modernization. Government initiatives aimed at improving water access, sanitation, industrial competitiveness and environmental sustainability are creating a strong foundation for long-term growth in the water sector.

We are seeing increasing momentum across municipal and industrial markets, driven by programs such as Jal Jeevan Mission, AMRUT and Namami Gange, as well as growing adoption of water reuse and Zero Liquid Discharge (ZLD) solutions. Furthermore, India's emergence as a global manufacturing hub under initiatives such as *Make in India*, coupled with investments in semiconductor fabrication, electronics, pharmaceuticals, specialty chemicals, data centres and clean energy, is expected to significantly increase demand for advanced water and wastewater treatment technologies.

Growth Strategy

- **Technology & Innovation**

  Innovation continues to be central element to your Company's long-term growth strategy. As industries and municipalities worldwide face increasingly complex water quality, environmental and sustainability challenges, the demand is shifting from conventional treatment systems towards more advanced technologies capable of delivering higher efficiency, regulatory compliance and resource optimisation.

  Your Company continues to strengthen its portfolio of advanced water and environmental technologies across ion exchange, membrane separation, advanced oxidation processes, PFAS remediation, green chemistry solutions and digitally enabled water management systems. Investments in research & development, application engineering and process innovation are enabling your Company to deliver integrated solutions that improved water recovery, reduce chemical consumption, lower operating costs and support customers in achieving their environmental and sustainability objectives.

- **Sunrise industrial sectors**

  Your Company continues to expand its presence in emerging high-growth industry segments where water quality is increasingly becoming a critical manufacturing input.

- **Global footprint**

  Internationally, your Company continues to strengthen its presence across Southeast Asia, the Middle East, Africa, Europe and the Americas through a balanced strategy of expanding engineering solutions, specialty Chemicals and lifecycle services. The Company continues to leverage India's manufacturing strengths, technology capabilities and engineering expertise while strengthening local customer engagement, distribution partnerships and technical support infrastructure in key international markets. This integrated global operating model enhances competitiveness, improves market responsiveness and positions the Company to participate in long-term growth opportunities across developed and emerging economies.

FINANCIAL RESOURCES

Fixed Deposits

Your 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

Pursuant to the provisions of Section 186 of the Companies Act, 2013, and as required to be disclosed under Section 134(3)(g) of the Act, the details of loans, guarantees and investments made during the financial year 2025–26 have been provided in the Notes to the Financial Statements.

SUBSIDIARY COMPANIES

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

During the year ended 31st March, 2026, the Subsidiary Companies M/s. Aqua Investments (India) Limited posted profit after tax of INR 46.88 Lacs compared to INR 46.63 Lacs of the previous year and M/s. Watercare Investments (India) Ltd. posted profit after tax of INR 35.48 Lacs compared to INR 34.59 Lacs of the previous year.

Ion Exchange Enviro Farms Limited (IEEFL)

The Company achieved total income of INR 288.21 Lacs during the year 2025-26 as against previous year income of INR 265.26 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 cannot 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 subsequently filed the appeal with Securities Appellate Tribunal challenging the SEBI's order.

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 3,171.21 Lacs during the year under review as compared to INR 3,071.39 Lacs in previous year representing a growth of 3% during the year. The Company made consolidated net profit after tax of INR 83.18 Lacs as compared to net profit after tax of INR 208.40 Lacs.

The company has continued its focus on product sales especially for Chemicals and Resins and has acquired major customer accounts and retained existing accounts. This, along with potential projects under bidding & closure the company will significantly improve revenue this year.

IEI Environmental Management [M] SDN.BHD, Malaysia

The Company has appointed an Official Liquidator for the winding-up of the Company and has initiated the voluntary winding-up process. The liquidation process is currently underway and is expected to be completed in due course.

Ion Exchange Environment Management (BD) Limited, Bangladesh

The Company achieved turnover of INR 560.12 Lacs during the year as compared to INR 1,116.73 Lacs in the previous year. The Company incurred net loss of INR 124.51 Lacs as compared to net profit of INR 14.64 Lacs in the previous year. Geopolitics has significantly impacted the business in Bangladesh. However, the efforts at improving revenue from products & consumables over capital goods is expected to help turn around the Company in spite of local challenges. The current improvement in the political situation is also showing encouraging signs of revival in the Capital goods business.

Ion Exchange WTS (Bangladesh) Limited, Bangladesh

The Company is currently not in operation.

Ion Exchange & Co. LLC, Oman

During the year under review, the Company achieved a turnover of INR 3,359.27 lacs, representing a significant increase from INR 2,530.75 lacs in the previous year. The Company recorded a net profit after tax of INR 201.22 lacs, as against INR 190.88 lacs in the previous year, reflecting sustained profitability and operational efficiency. The Company's continued success in executing and managing key Operations & Maintenance (O&M) activities in Oman has contributed materially to its overall performance. During the year, the Company was awarded a long-term contract by Petroleum Development Oman (PDO) under a Design, Build, Own, Operate and Maintain (DBOOOM) agreement for the Potable Water Facility and Sewage Treatment Facility in the South PDO Concession Area. The aggregate contract value is OMR 73.46 million (approximately INR 1,730 crore over the contract period), with a tenure of twenty years.

Ion Exchange LLC, USA

The Company recorded a turnover of INR 5,204.50 Lacs for the financial year under review, as against INR 6,113.92 Lacs in the previous financial year. Net profit after tax is INR 203.28 Lacs as compared to INR 379.54 Lacs in previous year.

The decline in turnover and profitability was primarily due to changes in US customs duty policies, which impacted the Company's operations and margins during the year.

The company's resin business is expected to grow much faster with significant investment in manpower resources and local distribution to help service our customers better. With consolidation & growth of the resin business, the company will also be identifying specific niche segments to target growth through engineering projects and membranes.

Ion Exchange Projects and Engineering Limited

The Company achieved a turnover of INR 5,686.53 Lacs for the year under review as against INR 3,379.00 Lacs in previous year.

The Company made net profit after tax of INR 15.20 Lacs for the year as against loss after tax of INR 1,021.67 Lacs. The Company provides Project Management services and design services to the parent company for its ongoing contracts.

Ion Exchange Safic (Pty) Limited, South Africa

The Company achieved a turnover of INR 3,564.18 Lacs during the year under review as compared to INR 2,680.26 Lacs in the previous year and the Company made a net profit after tax of INR 421.95 Lacs for the year as compared INR 348.98 Lacs in the previous year. After years of growth & stabilisation the company has now increased investment in robust sales channels with separate focus on the South African market and the rest of SADC region.

Ion Exchange Arabia for Water

The Company achieved turnover of INR 1,988.07 Lacs during the year under review compared to INR 1,885.98 Lacs in previous year. The company incurred loss of INR 269.17 Lacs compared to loss of INR 227.43 Lacs in previous year.

Commissioning of the blending units in Dammam to make available chemicals for the GCC region as well as new additions to the product account are expected to improve the profitability while major orders secured from blue chip Corporations like Almarai and Ma'aden are expected to significantly improve revenue & Cash flow.

Total Water Management Services (India) Ltd.

The Company achieved a turnover of INR 72.24 Lacs for the year under review, as against INR 94.23 Lacs for the previous year. Net profit after tax is INR 0.36 Lacs as compared to the net profit of INR 14.22 Lacs in 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 1,674.66 Lacs for the year under review, as against INR 1,575.62 Lacs for the previous year. The Company made profit after tax of INR 266.32 Lacs as compared to INR 142.66 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

There are no business operations in the company for the current year and previous year.

MAPRIL - Produtos Químicos e Maquinas Para a Industria, Lda

The Company achieved a turnover of INR 14,729.52 Lacs for the year as compared to INR 12,365.74 Lacs in the previous year. The Company made net loss after tax of INR 102.43 Lacs as compared to net loss after tax incurred of INR 192.56 Lacs in the previous year.

During the year under review, the Company undertook and invested in a restructuring process, which included strengthening manpower expanding channel distribution, entering new markets, and restructuring existing loan arrangements. These strategic initiatives are expected to enhance operational efficiency and position the Company for improved performance in the coming years.

SUBSIDIARIES, ASSOCIATES 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

Mr. Dinesh Sharma (DIN: 00051986), Vice-Chairman, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

All Independent Directors have submitted declarations confirming that they meet the criteria of independence prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is satisfied that the Independent Directors possess the requisite integrity, expertise and experience and continue to fulfil the conditions of independence prescribed under the applicable laws.

BOARD PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out the annual evaluation of its performance, that of its Committees and individual Directors. The evaluation was based on the criteria approved by the Nomination and Remuneration Committee, covering, inter alia, participation, contribution, effectiveness and governance. The Independent Directors evaluated the performance of the Chairman, Non-Independent Directors, the Board and its Committees, while the Board evaluated the performance of the Independent Directors. The Board expressed satisfaction with the evaluation process and its outcome.

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, 2026, 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, 2026 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

Your Company has following persons as Key Managerial Personnel:

Sr. No.	Name of the Person	Designation
1	Mr. Rajesh Sharma	Executive Chairman
2	Mr. Indraneel Dutt	Managing Director & CEO
3	Mr. Vasant Naik	Group Chief Financial Officer
4	Ms. Nikisha Solanki	Company Secretary & Compliance Officer

NUMBER OF MEETINGS OF THE BOARD

The Board met seven times during the financial year 2025–26, and a separate meeting of the Independent Directors was also held. Further details on these meetings are provided in the Corporate Governance Report.

WHISTLE BLOWER POLICY

Your 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://ionexchangeglobal.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. Hence, the disclosure in Form AOC - 2 is not applicable. Your 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 of the Companies Act, 2013 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 your Company and its future operations.

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

The Company is committed to maintaining a safe, inclusive, and respectful workplace free from discrimination, bias, and harassment. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has implemented a Policy on Prevention of Sexual Harassment and constituted Internal Committee (IC), wherever applicable.

The Company conducts regular awareness initiatives to educate employees on their rights, grievance redressal mechanisms, and its zero-tolerance approach towards sexual harassment.

During the financial year 2025-26, no complaints were received by the Internal Committee, and accordingly, no complaints were disposed of or remained pending as at the end of the financial year.

QUALITY INITIATIVES

Your Company continues to uphold the highest quality standards, driven by a strong commitment to manufacturing excellence, performance excellence, innovation, and meritocracy. Quality remains central to the Company's strategic priorities, enabling the delivery of reliable, sustainable and high-performance solutions across its water, environment and specialty chemicals businesses.

The Company has strengthened its focus on Total Quality Management (TQM), Lean and Six Sigma, supported by Value Stream Mapping (VSM), Quality Circles, Kaizen, 5S and Total Productive Maintenance (TPM). These initiatives promote a right-first-time culture and continuous improvement.

The Company continues to invest in R&D, process digitisation and technology-driven solutions. Digital quality initiatives, including SAP-enabled quality gates, KPI dashboards, audit management platforms and automated data capture, are improving traceability and data-driven decision-making.

All manufacturing, service and support divisions, including technology functions, remain certified under ISO 9001:2015. Standardised audits, Critical-to-Quality (CTQ) and Critical-to-Process (CTP) monitoring, and Quality Councils strengthen the quality framework and ensure alignment with customer and regulatory requirements.

Cost of Quality (COQ), Daily Work Management (DWM) and Supplier Quality Assurance programmes are being implemented to improve execution, reduce quality costs and strengthen supply reliability.

The Company's manufacturing and operational facilities continue to maintain multiple quality, safety and sustainability certifications:

- Resins facility, Ankleshwar, Gujarat: ISO 9001:2015, ISO 14001:2015, WHO-GMP, Halal, FDCA GMP, FDCA GLP, HACCP, NSF/ANSI/CAN, EU and Canadian Health certifications, Kosher, ICIM, CDSCO, EIR-USFDA

- Chemical facility, Patanchuru, Telangana: ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 22000:2018, ZDHC MRSL, Kosher, Halal, GOTS, REACH, IIP-UN, DSIR
- Membrane facility, Goa: ISO 9001:2015, ISO 14001:2015, NSF/ANSI/CAN 61
- Engineering facility (SSD), Goa: ISO 9001:2015, ISO 45001:2018
- Engineering facility (SSD), Wada: ISO 9001:2015, NSF/ANSI/CAN 61
- Engineering facility (SSD), Hosur: ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 13485:2016
- Technology Division, Vashi: ISO 9001:2015, ISO 13485:2016, DSIR
- Environment Division, Vashi: ISO 9001:2015
- IESD, Bangalore: ISO 9001:2015
- CSD Laboratory, Bangalore: NABL accreditation
- CSD, Rabale: ISO 9001:2015
- Projects, Rabale: ISO 9001:2015

The Company's R&D centres at Patancheru and Vashi continue to be recognised by DSIR, while the Bangalore laboratory maintains NABL accreditation.

During the year, the Company accelerated its Industry 4.0 journey through automation, smart monitoring and advanced analytics, enhancing process reliability, predictive maintenance and lifecycle performance of water and wastewater treatment systems.

Sustainability remains integral to operations, with focus on water conservation, wastewater recycling, zero liquid discharge (ZLD) and circular economy solutions.

Looking ahead, the Company will continue to strengthen TQM, digitalisation, innovation and TPM excellence to enhance customer satisfaction, operational performance and long-term value creation.

AUDITORS

Statutory Auditors

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No. 117366W/W-100018), were appointed as statutory auditors of the Company for a period of five years from the conclusion of the 60th Annual General Meeting (AGM) of the Company held on 11th September, 2024 till the conclusion of the 65th AGM to be held in the year 2029. Consequent to amendment to Companies Act, 2013, ratification of Statutory Auditor's appointment is not required at every Annual General Meeting.

There is no incident of fraud requiring reporting by the Auditors under Section 143(12) of the Act.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company had appointed M/s. GMJ & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for a period of five years from the conclusion of the 61st Annual General Meeting (AGM) held on 9th September, 2025 till the conclusion of the 66th AGM to be held in the year 2030. The Secretarial Audit Report is annexed herewith as "Annexure I".

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. R. Nanabhoy & Co. to audit the cost accounts of the Company for the financial year ending 31st March, 2027. 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. R. Nanabhoy & Co., Cost Auditors is included in the Notice convening the Annual General Meeting.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013, 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 and Associate companies, as approved by their Board of Directors.

Your 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.

EMPLOYEE STOCK OPTION SCHEME

The Members of the Company approved, through Postal Ballot, the 'Ion Exchange (India) Limited – Employee Stock Option Scheme 2026', subsequent to the financial year-end and prior to the approval of this Report. The Scheme shall be implemented through the Trust route by way of secondary acquisition of equity shares. The results of the Postal Ballot were declared on 25th May, 2026.

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

A report on Management discussion and analysis as required under Regulation 34 of Listing Regulations read with Schedule V (Part B) forms part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability Report as Required under Regulation 34 of Listing Regulations forms part of this Annual Report.

ANNUAL RETURN

The annual return of your Company as required under the Companies Act, 2013 will be available on the website of the Company at https://ionexchangeglobal.com/investor-relation/annual-return/

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a part of its initiative under the "Corporate Social Responsibility" (CSR) drive, your 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

The information in accordance with Section 134(3)(m) of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, are set out in "Annexure III" to this Report.

RISK MANAGEMENT

The Company has established a Risk Management Committee to identify and assess key business risks and to oversee the implementation of effective mitigation strategies. For further details, please refer to the Corporate Governance section and the Management Discussion and Analysis of this report.

MATERNITY BENEFIT ACT, 1961

Your Company has complied with the applicable provisions of the Maternity Benefit Act, 1961.

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).

GREEN INITIATIVE

In line with the Green Initiative of the Ministry of Corporate Affairs and the Company's commitment to sustainability, shareholders are encouraged to receive the Annual Report, AGM Notice, and other communications in electronic mode. Shareholders are requested to register or update their e-mail addresses with their Depository Participants or the Company's Registrar and Share Transfer Agent to facilitate electronic communication. This initiative promotes paperless communication and supports environmental conservation.

OTHER DISCLOSURES

During the year under review:

1. No amount was proposed to be transferred to reserves.
2. There was no change in the nature of the business of the Company.
3. There are no defaults in loan payments or any instance of one-time settlement.
4. There have been no material changes and commitments affecting the Company's financial position between the end of the financial year and the date of this report other than those which have already been disclosed to the Stock Exchanges.
5. There were no proceedings under the Insolvency and Bankruptcy Code, 2016.

ACKNOWLEDGEMENTS

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

On behalf of the Board of Directors

Rajesh Sharma
Executive Chairman

Mumbai, 5th August, 2026

Annexure I
FORM MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST March, 2026

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial 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 by **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 compliance's 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, 2026 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, 2026 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. The company has not availed any External Commercial Borrowings during the period of audit.

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 Takeover) 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, 2025 regarding the Companies Act and dealing with client;

   e) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; **[Not applicable during the period of audit].**

   f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable during the period of audit].**

   g) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not applicable during the period of audit].**

   i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **[Not applicable during the period of audit].**

vi. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as follows:

   a) The Noise Pollution (Regulation and Control) Rules, 2000.

   b) The Environment (Protection Act), 1986.

   c) The Water (Prevention and Control of Pollution) Act, 1974.

   d) The Air (Prevention and Control of Pollution) Act, 1981.

e) The Factories Act, 1948 and Rules made thereunder.

f) Labour laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.

g) The Trade Marks Act, 1999;

h) The Copy Right Act, 1957;

i) 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 compliance's no specific Acts were applicable to the Company except as given above.

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 Agreement entered into by the Company with BSE Limited 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, 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 and taken on record by the Board of Directors of the Company, in our opinion there are 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 following event/action(s) which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. as given hereunder:

The Company has started operations in phases at its new Resin Manufacturing Plant located in Roha, Maharashtra. Out of the total planned production capacity of 42,600 cubic meters per year, the Company had successfully started a portion of the plant with a capacity of 3,696 cubic meters per year from 30th September, 2025.

The resin products manufactured at the plant have successfully met the required quality standards. This is an important achievement for the Company as it supports its future growth plans and aligns with the Government of India's "Make in India" initiative. The new plant will help the Company meet increasing demand in global markets and reduce environmental impact by using advanced and modern manufacturing technology.

For GMJ & ASSOCIATES

Company Secretaries

[CS NIRMAL GUPTA]

PARTNER

M. No. : ACS 45839

COP No. : 27144

UDIN : A045839H000481373

PEER REVIEW CERTIFICATE NO.: 6140 /2024

PLACE : MUMBAI

DATE : 26th May, 2026

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

'ANNEXURE I' to Secretarial Audit Report

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, regulations and happening of events, etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and 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 NIRMAL GUPTA]
PARTNER
M. No. : ACS 45839
COP No. : 27144
UDIN : A045839H000481373
PEER REVIEW CERTIFICATE NO.: 6140 /2024

PLACE : MUMBAI
DATE : 26th May, 2026

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 Education, Health & Hygiene, Skill Development, Environment Sustainability and Rural Development for initiatives near our Company's manufacturing sites, besides other locations.

2) Composition of CSR Committee:

The Committee was reconstituted on 29th January, 2026, with the appointment of Mr. Indraneel Dutt as a Member of the CSR Committee, with effect from the said date. The Committee met twice during the financial year under review. The attendance details of the Members of the Committee are set out below:

Name of the Member	Corporate Social Responsibility Committee Meetings		Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
	Committee Meeting Dates			
	27th June, 2025	18th December, 2025		
Mr. Sanjay Joshi - Chairperson	P	P	2	2
Mr. M. P. Patni - Member	A	P	2	1
Mr. Rajesh Sharma - Member	P	P	2	2
Mrs. Alka Arora Misra - Member	P	P	2	2
Mr. Indraneel Dutt - Member	NA	NA	2	0

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/2026/03/Revised_Composition-of-Board-_-Comm.pdf

CSR Policy:

https://ionexchangeglobal.com/app/uploads/2025/08/CORPORATE-SOCIAL-RESPONSIBILITY-CSR-POLICY-2.pdf

CSR Projects:

https://ionexchangeglobal.com/app/uploads/2025/08/CSR-Annual-Action-Plan-2025-26.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) a) Average net profit of the Company as per section 135(5) of the Companies Act, 2013 – INR 2,65,43,60,779

b) Two percent of average net profit of the Company as per section 135(5) of the Companies Act, 2013 – INR 5,30,87,216

c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years – NIL

d) Amount required to be set off for the financial year, if any – NIL

e) Total CSR obligation for the financial year (5b+5c-5d) – INR 5,30,87,216

6) a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – INR 5,30,57,964

b) Amount spent in Administrative overheads – INR 78,232

c) Amount spent on Impact Assessment, if applicable – N.A

d) Total amount spent for the Financial Year [(a) + (b) +(c)] – INR 5,31,36,196

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
5,31,36,196	NA	NA	NA	NA	NA

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

Sl. No.	Particular	Amount (in INR)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	5,30,87,216
(ii)	Total amount spent for the Financial Year	5,31,36,196
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	48,980
(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)]	48,980

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

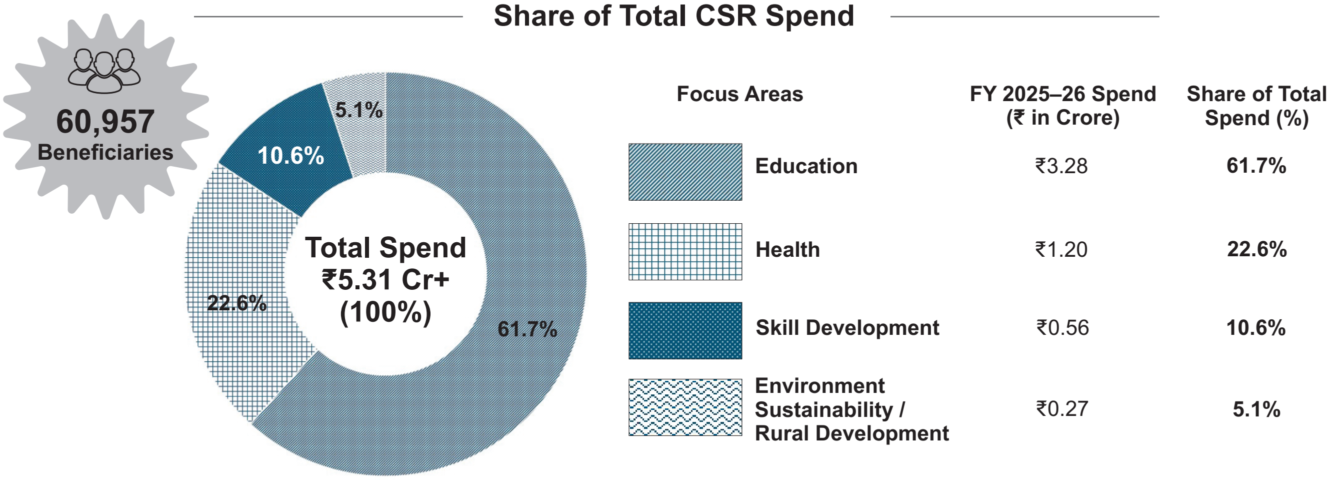
1	2	3	4	5	6		7	8
Sl. No.	**Preceding Financial Year(s)**	**Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in INR)**	**Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in INR)**	**Amount Spent in the Financial Year (in INR)**	**Amount transferred 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 INR)**	**Deficiency, if any**
					Amount (in INR)	**Date of Transfer**		
NA	NA	Nil	Nil	NA	Nil	NA	Nil	NA

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

FOCUS AREA-WISE SPEND TREND (FY 2025-26)

Share of Total CSR Spend



Sd/-
Rajesh Sharma
Executive Chairman

Sd/-
Sanjay Joshi
Chairman of CSR Committee

Mumbai, 5th August, 2026

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 & Water

1. Patancheru

Conservation of Energy

During FY 2025–26, the Patancheru plant continued its focus on improving electrical and thermal energy efficiency through a combination of renewable energy adoption and operational optimisation initiatives. The plant expanded its rooftop solar photovoltaic (PV) capacity to 296 kWp, generating 291,262 kWh of renewable electricity during the year and contributing to a reduction of approximately 207 tCO^2 emissions. These initiatives supported the achievement of an electrical energy intensity of 80 kWh per metric tonne of chemicals produced.

Key energy conservation measures undertaken during the year included the operation of the rooftop solar PV system, adoption of energy-efficient air-conditioning systems, installation of LED lighting with photo sensors, increased utilisation of natural lighting, deployment of battery-operated electric forklifts and EV buses for internal transportation, conversion of boiler fuel from High-Speed Diesel (HSD) to LPG, and optimisation of diesel generator operations. These initiatives contributed to improved energy efficiency, reduced fuel consumption and lower operating costs.

Conservation of Water

The plant continued to strengthen water conservation efforts through efficient treatment and reuse of processed water. The advanced Effluent Treatment Plant (ETP), equipped with a tertiary treatment system, enabled further reduction in freshwater consumption during the year.

A total of 4,409 KL of ETP reverse osmosis (RO) permeate water was recovered and reused as feed for the Demineralisation (DM) plant and cooling tower make-up water, supporting resource conservation and operational sustainability.

Use of Alternative Energy Sources

Renewable energy generation through the rooftop solar PV installation amounted to 291,262 kWh during FY 2025–26. In addition, the transition from HSD to LPG for boiler operations improved combustion efficiency and contributed to lower emissions, supporting the Company’s sustainability and decarbonisation objectives.

2. Ankleshwar

Conservation of Energy

During FY 2025–26, electricity consumption at the Ankleshwar facility increased by 18%, primarily due to higher production of energy-intensive pharmaceutical and specialty products. Natural gas consumption efficiency was maintained on a per m^3 of production basis through continuous monitoring and operational controls.

As part of its efforts to adopt alternative sources of energy and promote sustainable waste management, the Company initiated the purchase and installation of a plastic processing unit for the conversion of plastic waste into pyro-oil and gas. Installation of the unit is currently in progress.

Conservation of Water

Water consumption at the Ankleshwar facility witnessed a marginal increase during the year due to higher pharmaceutical production volumes and the failure of a reverse osmosis (RO) pump. The Company continues to focus on improving water-use efficiency and optimising water management practices across operations.

3. Goa: Membrane Division

Conservation of Energy

During FY 2025–26, the Membrane Division continued to strengthen its energy efficiency and renewable energy initiatives through a series of infrastructure and process improvements.

Successfully commissioned a 350 kWp Solar Power Generation System in March 2026, increasing the use of renewable energy and reducing dependence on grid power.

Installed an MSRL Sand Filter to enhance water filtration efficiency and improve the performance of the DM Water Generation Plant.

Implemented Variable Frequency Drives (VFDs) for ETP air blower motors, resulting in an approximate 30% reduction in power consumption of the system.

Introduced data logging and monitoring systems for cold storage units, enabling improved performance monitoring and optimisation of AC compressor operations.

Replaced conventional motors on critical equipment with energy-efficient motors, reducing electricity consumption and enhancing operational reliability.

Upgraded facility lighting through installation of energy-efficient LED lights and fittings, contributing to lower power consumption across the plant.

Installed High Volume Low Speed (HVLS) Fans to improve air circulation while maintaining energy-efficient operations.

Conservation of Water

The Division continued to enhance water conservation and wastewater reuse practices through improvements in effluent treatment and water recycling systems.

Introduced a primary treatment system within the Effluent Treatment Plant (ETP) to improve treated water quality through effective removal of suspended solids and other impurities prior to biological treatment.

Installed an Ultrafiltration (UF) system in the ETP to further enhance the quality of treated water. The treated water is being reused for washroom applications, with approximately 4–5 KL utilised daily, contributing to reduced freshwater consumption.

4. **Hosur: Standard Systems Division**

Conservation of Energy

During FY 2025–26, the Hosur facility continued to focus on energy efficiency and resource optimisation across its operations. Energy intensity reduced by 52% compared to the previous year, from 453 kWh/MT to 218 kWh/MT. The facility maintained 100% LED lighting for improved lighting efficiency, adopted energy-efficient air-conditioning systems with operational optimisation measures, and maximised the use of natural lighting and ventilation across the plant.

Diesel intensity reduced by 55% compared to the previous year, from 5.91 litres/MT to 2.66 litres/MT, supported by the operation of efficient diesel generator sets. As a result of these initiatives, carbon footprint intensity was reduced by 63%, from 0.43 tCO_2/MT to 0.16 tCO_2/MT compared to the previous year.

Conservation of Water

The facility achieved a 51% reduction in water withdrawal intensity during the year, from 10.29 KL/MT to 5.06 KL/MT. This improvement was supported by the implementation of a closed-loop water recirculation system for hydro-testing of vessels and tanks, eliminating the requirement for approximately 60 KL of fresh water in the process.

In addition, 602 KL of treated water from the Sewage Treatment Plant (STP) was recycled and utilised for gardening purposes, reducing dependence on fresh water sources. The rainwater harvesting system, covering an area of over 425 m^2, remained operational during the year and enabled groundwater recharge of approximately 340 KL annually.

5. **Goa: Standard Systems Division**

Conservation of Energy

During FY 2025–26, the rooftop solar photovoltaic system (90 kWp) generated 54,534 kWh of renewable electricity, contributing approximately 22% of the facility's total electricity consumption and resulting in a reduction of 39 tonnes of CO_2 emissions. The facility also continued to implement various energy efficiency and conservation measures, including the use of energy-efficient air-conditioning systems, LED lighting, increased utilisation of natural lighting and ventilation, and improved operational controls.

These initiatives contributed to a 7% reduction in electricity consumption during the year. As a result of the combined renewable energy and energy conservation efforts, the facility's gross carbon footprint reduced by 13% compared to the previous year.

Conservation of Water

The facility continued to strengthen water conservation initiatives through rainwater harvesting and water reuse measures. A rainwater harvesting system covering an area of over 2,600 m^2 remained operational during the year, enabling groundwater recharge and reuse of approximately 6,500 KL annually.

In addition, a closed-loop water recirculation system for hydro-testing of vessels, tanks and pipes eliminated the requirement for approximately 50 KL of fresh water, supporting efficient water utilisation and conservation.

6. **Wada: Standard Systems Division**

Conservation of Energy

During FY 2025–26, the Wada facility continued to focus on improving energy efficiency through process optimisation and the adoption of energy-efficient technologies. Energy intensity (kWh/Cr) reduced by 36% compared to the previous year, driven by optimisation of capacity utilisation and the use of energy-efficient motors (IE3), air-conditioning systems, ventilation systems, LED lighting, automation and improved operational controls.

The facility also maximised the use of natural lighting through transparent roof sheets and natural ventilation through turbo-ventilators. In addition, the use of efficient burners and enhanced thermal insulation in ovens improved thermal efficiency across operations. As a result of these initiatives, carbon footprint intensity (tCO_2/Cr) reduced by 24% compared to the previous year.

Conservation of Water

The facility continued to implement water conservation measures through rainwater harvesting and water reuse initiatives. Rainwater collected in on-site ponds was treated and utilised for production activities, plantation and gardening purposes, reducing dependence on external water sources.

In addition, service water used for hydro-testing was recirculated and reused, preventing water wastage and supporting efficient water management practices across the facility.

(B) Technology Absorption

During FY 2025–26, the Company continued to strengthen its technology leadership through the development, absorption and commercialization of advanced products, processes and systems across ion exchange resins, water treatment chemicals, membrane technologies, industrial process applications, wastewater treatment and emerging digital solutions

Manufacturing Technology and Infrastructure

Technology absorbed and implemented

- Commissioned and stabilized the Greenfield Resin Manufacturing Facility at Roha for the manufacture of non-solvent-based cation and anion exchange resins.
- Successfully validated all production lines and established environmentally responsible manufacturing processes that eliminate the use of environmentally harmful solvents.
- Introduced a chilling plant at the Ankleshwar facility to improve process efficiency and reduce cycle time for selected products.

Benefits derived

- Enhanced manufacturing capabilities and production readiness to support future growth in domestic and international markets.
- Increased production capacity and operational reliability.
- Improved process efficiency, reduced manufacturing cycle times and optimized plant operations.
- Adoption of environmentally responsible manufacturing practices through non-solvent resin production technology.

Ion Exchange Resins

Technology absorbed, developed and commercialized

- Process technology for non-solvent grade cation and anion exchange resins.
- Catalyst resin for Bisphenol A synthesis.
- Ion exchange process for isomer separation of Active Pharmaceutical Ingredient (API) molecules.
- Resins for PFAS removal applications.
- Product and process improvements for cholestyramine resin.
- Specialty anion exchange resin for recovery of rhenium from leach liquor.

- Ion exchange-based purification systems for inulin processing for removal of colour and mineral impurities.
- Specialized resin systems for pH correction and purification of niacinamide solutions used in cosmetic and personal care applications.

Benefits derived

- Successful execution of commercial orders for ion exchange systems used in pharmaceutical isomer separation applications.
- Commercialization of environmentally sustainable non-solvent grade cation and anion exchange resins for water treatment applications.
- Execution of export orders for catalyst-grade resins used in Bisphenol A production.
- Commercial orders secured for PFAS removal resins, including export opportunities.
- Expansion of commercial business across pharmaceutical, cosmetic and specialty chemical applications in global markets.
- Enhanced product purity and quality through advanced resin-based purification technologies.

Water Treatment and Process Chemicals

Technology absorbed, developed and commercialized

- Fatty alcohol-based defoamers for industrial process and utility applications.
- Textile process chemicals including soaping agents, anti-migrating agents and dispersing agents.
- Phosphonate-based antiscalants for industrial water treatment applications.
- Proprietary multifunctional polymers for industrial water treatment.
- Enzyme formulations for grain-based ethanol production and industrial process applications.

Benefits derived

- Creation of new opportunities in the paper industry and general-purpose defoaming applications in domestic and international markets.
- Expansion of textile chemical business opportunities in India and overseas markets.
- Additional revenue and profitability through phosphonate and multifunctional polymer product lines.
- Development of new customers and market opportunities in the ethanol production segment through enzyme formulations.

Membrane Materials and Advanced Separation Technologies

Technology absorbed, developed and commercialized

- Development and commercialization of the NF40 nanofiltration membrane.
- Introduction of new chemistries for the reverse osmosis membrane product range.
- Development of specialty membrane applications for non-water treatment segments.
- Commercialization of membrane-based systems for purification and concentration of Active Pharmaceutical Ingredients (APIs).
- Cost optimization through substitution of imported raw materials with suitable indigenous alternatives.

Benefits derived

- Creation of new business opportunities in domestic and international markets through the NF40 nanofiltration membrane.
- Reduction in raw material costs and enhancement of product quality through improved membrane chemistries and indigenous material substitution.
- Increased revenue opportunities and profitability through specialty membrane applications in non-water treatment segments.

- Improved process efficiency, operational consistency and product recovery in pharmaceutical and specialty industrial applications.

Advanced Water, Wastewater and Resource Recovery Technologies

<u>Technology absorbed, developed and commercialized</u>

- Advanced Oxidation Process (AOP) technology for treatment of complex industrial effluents.
- Compact Sewage Treatment Plant (STP) solutions for decentralized wastewater treatment applications.
- High-recovery Reflux RO systems capable of achieving water recovery levels of up to 90–95%.
- All Membrane Brine Concentration (AMBC) technology, utilizing hollow-fiber and Osmotically Assisted Reverse Osmosis (OARO) solutions for enhanced water recovery and optimization of Zero Liquid Discharge (ZLD) systems.
- Technologies supporting wastewater reuse, resource recovery and sustainable industrial water management.

<u>Benefits derived</u>

- Higher water recovery and reduced wastewater discharge.
- Lower energy consumption and operating costs.
- Reduced chemical consumption and sludge generation.
- Improved economics of water reuse and Zero Liquid Discharge applications.
- Enhanced support for circular economy and resource recovery initiatives.

Emerging Technologies and Digital Solutions

<u>Technology absorbed and developed</u>

- Electrochlorination systems for safe and efficient on-site disinfectant generation.
- Water treatment solutions supporting green hydrogen production.
- Lithium and critical mineral recovery technologies.
- Ultrapure Water (UPW) systems for semiconductor and advanced manufacturing industries.
- Integrated water management solutions for data centres and digital infrastructure.
- AI-enabled platforms for monitoring, optimization, predictive analytics and intelligent plant operations.

<u>Benefits derived</u>

- Improved operational efficiency and asset performance.
- Enhanced water and energy efficiency.
- Reduced environmental footprint and resource consumption.
- Greater process reliability, operational visibility and decision-making capability.
- Creation of new growth opportunities in clean energy, semiconductor manufacturing, critical mineral recovery and digital infrastructure sectors.
- These technology initiatives reinforce the Company's commitment to innovation-led growth, sustainability, operational excellence and the development of advanced solutions for water, environment, resource recovery, energy and industrial applications.**:** for industrial water treatment applications
- **Multifunctional polymer:** proprietary product for industrial water treatment applications
- **Enzymes:** Enzyme formulation for grain-based ethanol and industrial process applications

<u>Membrane Materials:</u> New products and process improvements,

- Developed nanofiltration membrane NF40
- New chemistries introduced for the new range of RO membrane products. Also, the product cost optimized by substituting import RMs with suitable local RMs.
- Developed range of speciality membrane applications in non-water segment.

ii) **Benefits derived as a result of the above include:**

Ion Exchange Resins:

- Commercial order of applied ion exchange resin system executed for the isomer separation.
- Environmental sustainability and safer products from non-solvent processes of cation and anions. These resins commercialized for various water treatment applications.
- Executed export commercial orders of catalyst grade resin for bisphenol A application
- Received commercial orders for PFAS removal resin, benefited from export orders.
- Several new commercial orders from global for pharma and speciality resins.

Water Treatment and Process Chemicals:

- Fatty alcohol defoamer: Identified new business opportunities in the paper industry and general-purpose defoaming applications both India and Globally.
- Textile process chemicals: Identified new business opportunities both at India and Globally.
- Phosphonates and Multifunctional polymer: New product line benefited in added revenue, profitability and business opportunity.
- Enzyme formulations: Developed new markets and customers in ethanol production domain

Membrane Materials:

- Nanofiltration Membrane product (NF40) opened up new business opportunity at both India and Globally.
- New improved processes/chemistries resulted in RMC saving and enhanced product quality of existing RO products.
- Speciality membrane applications benefited in added revenue, profitability and business opportunity.
- The expenditure incurred on Research and Development are as follows:

Sr. No.		**Location**	
		Patancheru (INR in Lacs)	**Vashi, Navi Mumbai (INR in Lacs)**
a.	Capital Expenditure	79.88	5.95
b.	Revenue Expenditure	664.16	602.43
	Total	**744.04**	**608.38**
c.	Total R & D Expenditure as percentage of Turnover - 0.50 %		

C. **<u>Foreign exchange earnings and Outgo</u>**

During the year under review foreign exchange earnings were INR 57,023.97 Lacs and foreign exchange outgo was INR 28,519.22 Lacs.

On behalf of the Board of Directors

Rajesh Sharma
Executive Chairman

Place: Mumbai
Date : 5th August, 2026

Business Responsibility & Sustainability Report

FOREWORD

At Ion Exchange, our Environmental, Social, and Governance strategy is anchored in a systems-level purpose: conserving the planet's most vital resources through comprehensive water and environmental management solutions. Operating across the full lifecycle of liquid, solid, and gaseous waste generated by industries, institutions, households, and communities, in both urban and rural geographies – we deliver advanced, sustainable technologies that directly address the drivers of climate change, generating enduring co-benefits for people and ecosystems.

Over six decades of sustainable innovation have positioned us as the single largest solution provider in the water and environment sector. Across this journey, our work has consistently advanced multiple Sustainable Development Goals, reflecting a long-held belief that responsible business growth and planetary stewardship are mutually reinforcing – not trade-offs.

This Business Responsibility and Sustainability Report (BRSR) presents our ESG performance with full transparency. In a landscape where decarbonisation expectations are accelerating and stakeholder scrutiny is intensifying, we recognise that intention alone is insufficient. Progress must be measurable, accountable, and dynamically responsive to evolving science, societal and stakeholder expectations. Our sustainability commitments unite our employees, customers, partners, and the broader ecosystem in a shared mission of delivering lasting, inclusive value.

FY 2025–26 demonstrated that growth and sustainability can scale together. We continued to reduce our carbon, energy, and water intensities – maintaining a consistent year-on-year improvement trajectory, while significantly expanding both our operations and our workforce. Operational resilience was strengthened, and sustainability was embedded not as a compliance layer but as a core driver of our growth strategy. Our focus remained steadfast: environmental stewardship, social well-being, and inclusive economic prosperity – advanced through collaboration, innovation, and continuous improvement.

Sustainability is not a fixed destination. It is a continuous, evolving commitment – one that demands adaptive leadership and systems thinking at every level of the organisation. At Ion Exchange, we take pride in leading this journey: upholding rigorous governance standards, creating long-term stakeholder value, building trust and ensuring that the way we grow is as important as how much we grow.

Rajesh Sharma
Executive Chairman

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 address	Ion House, Dr. E. Moses Road, Mahalaxmi, Mumbai-400011.
5	Corporate office address	Ion House, Dr. E. Moses Road, Mahalaxmi, Mumbai-400011.
6	Email	investorhelp@ionexchange.co.in
7	Telephone	022 62312042
8	Website	www.ionexchangeglobal.com
9	Financial Year reported	FY 2025 – 2026
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	INR 14,66,66,590
12	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Indraneel Dutt Managing Director & CEO +91-22-62312042 investorhelp@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 in this report are made on a standalone basis for the entity, Ion Exchange India Ltd., as referenced in Sr. No. 23
14	Name of assurance provider	TÜV SÜD South Asia Pvt. Ltd.
15	Type of assurance obtained	Limited

II. Products/ Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Engineering Segment	This segment delivers integrated, end-to-end solutions across the water, wastewater, and solid waste value chain serving industrial operators and communities alike. Core capabilities span advanced membrane technologies for seawater desalination, water recycling, Zero Liquid Discharge (ZLD), ultra-pure, high-purity water projects and process stream purification and concentration. The segment further offers waste-to-energy systems that close the resource loop, alongside comprehensive operation and maintenance (O&M) services that safeguard infrastructure performance and long-term sustainability outcomes.	60%
2	Chemical Segment	The Chemical segment engineers and supplies one of the broadest portfolios of ion exchange resins, adsorbents, specialty process chemicals, and customised treatment programs available in the market today. Serving diverse utility applications across industries, these solutions enable efficient water treatment, process optimization and increasingly, circular resource recovery, turning waste streams into recoverable inputs.	25%
3	Consumer Product Segment	This segment brings safe, purified, health enhanced drinking water and sustainable waste management directly to households, real estate developments and institutional customers, including hotels, hospitals, educational institutions, laboratories, railways, and defence establishments. With a growing emphasis on decentralised solutions, the segment addresses the last-mile challenges of water access and waste management systems in both urban and peri-urban contexts, making sustainability tangible at the individual and community level.	15%

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

Sr. No.	Product/Service	NIC Code Group	% Of the total Turnover contributed
1	Engineering – Water Treatment & Waste Water Treatment	37003, 36000	60%
2	Chemical - Resins & Chemicals	20119, 20131	25%
3	Consumer Product	36000	15%

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	8	11	19
International	1	3	4

19. Markets served by the entity:

a. Number of Locations

Location	Numbers
National (No. of States)	28 states and 7 union territories
International (No. 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 21%.

c. A brief on types of customers

Ion Exchange serves a diverse and expanding stakeholder ecosystem that spans industries, households, and urban and rural communities across India and international markets. Through an integrated portfolio of products, solutions, and services, the company creates direct impact in regions where it maintains a physical presence, while extending its reach through a robust global distribution and service network that enables equitable access to water and environmental solutions at scale.

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)	2975	2747	92.34%	228	7.66%
2	Other than Permanent (E)	133	113	84.96%	20	15.04%
3	**Total employees (D+E)**	**3108**	**2860**	**92.02%**	**248**	**7.98%**
	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)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors*	10	1	10%
Key Management Personnel*	4	1	25%

*Including 'Executive Chairman' and 'Managing Director'

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

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees*	32.14%	17.11%	30.99%	17.77%	12.90%	17.41%	13.31%	1.59%	14.90%
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

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)
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, USA	Subsidiary	100.00	NO
10	Ion Exchange And Company LLC, Oman	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

VI. CSR Details

24. **(i) Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes

(ii) Turnover (in Rs.) : 2678.91 Crore

(iii) Net worth (in Rs.) : 1389.64 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 2025-26			Previous Financial Year 2024-25		
		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	-

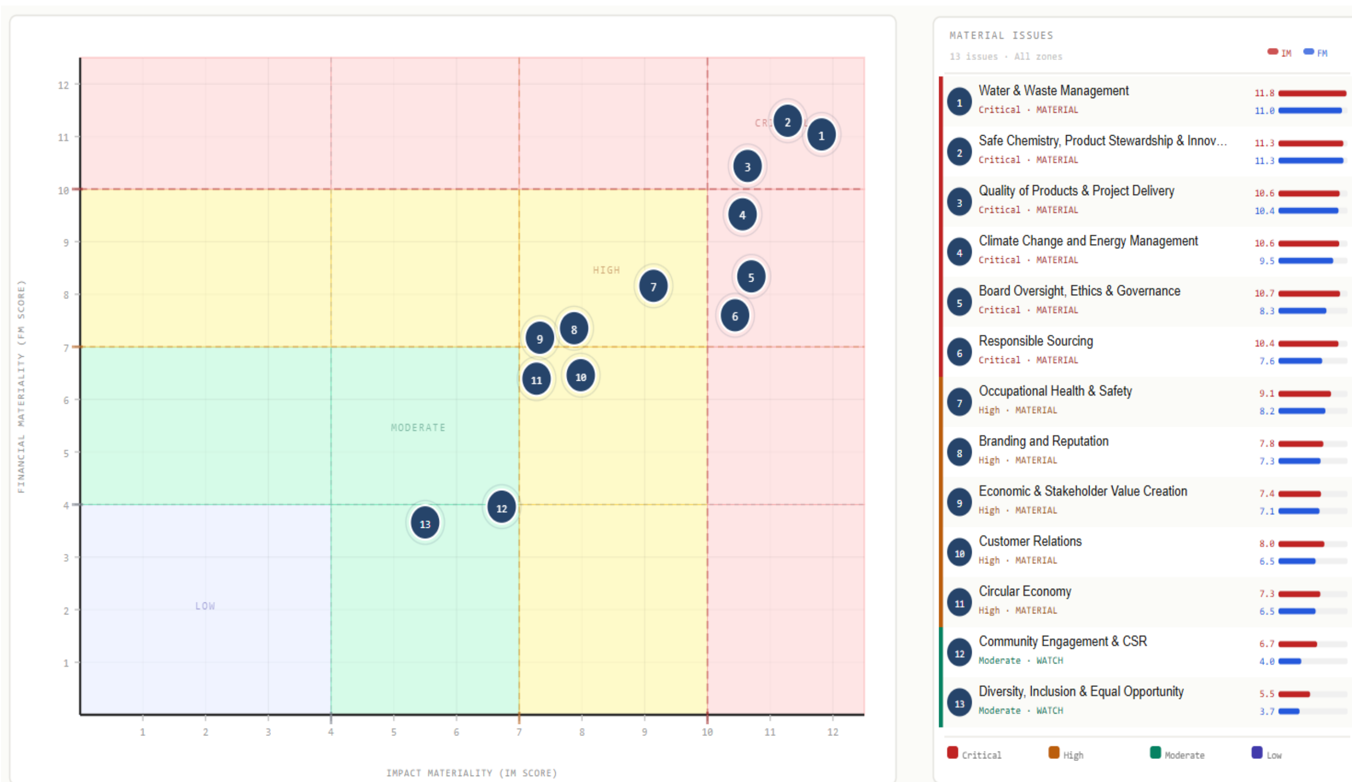
Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	Current Financial Year 2025-26			Previous Financial Year 2024-25		
		No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks	No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	The Company has established a Board-level Stakeholders Relationship Committee ("SRC") to oversee and address shareholder grievances. The Committee is empowered to examine and resolve complaints in a timely and transparent manner. The status of shareholder complaints is reviewed and reported to the full Board on a quarterly basis. The SRC convenes at least once a year, and additionally as needed, to ensure prompt and effective resolution of issues raised by shareholders.	9	0	All complaints reported and resolved	11	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)	-	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:

Ion Exchange has undertaken a double materiality analysis (DMA) to identify and prioritize the most significant responsible business conduct issues impacting both the company and its stakeholders. Through this structured assessment, Ion Exchange has mapped out the key topics that are most relevant to its sustainability strategy, governance, and stakeholder engagement. The analysis ensures that the company's sustainability initiatives are aligned with both external expectations and internal strategic priorities.

The materiality matrix graph below illustrates the outcome of this double materiality analysis, highlighting the intersection of financial and impact considerations. It provides a visual representation of the issues that are most critical for Ion Exchange to address in its responsible business conduct framework.



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	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	With increasing water scarcity and heightened demand across sectors, the sustainable management of water resources and waste has become critical. The Company's core business directly addresses these challenges through innovative solutions in water and wastewater treatment, as well as integrated solid and liquid waste management.		Positive
2	Safe Chemistry, Product Stewardship & Process Innovation	Opportunity	Consumer awareness around health, safety, and environmental impact is driving demand for sustainable and green chemical products. Focusing on safe and environmentally responsible chemical production not only meets market expectations but also preserves the Company's competitive edge. Investing in green product innovation opens access to premium markets, enables regulatory compliance ahead of peers, and builds long-term customer trust.		Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	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)
3	Quality of Products and Project Delivery	Opportunity	Consistent product quality and reliable project delivery are fundamental to customer satisfaction, repeat business, and long-term competitive advantage. As clients increasingly integrate quality and delivery performance metrics into vendor selection, the Company's commitment to excellence becomes a direct driver of revenue, market share growth and Global sustainability goal fulfillment due to the nature of the product.		Positive
4	Climate Change and Energy Management	Risk	Physical climate risks (extreme weather, floods, heat stress) threaten supply chain continuity and asset integrity. In response to global climate concerns, the Company actively works to reduce energy intensity and its carbon footprint.	1) Continuous improvement in energy efficiency across operations. 2) Transition from fossil fuels to sustainable energy alternatives. 3) Increased adoption of renewable energy sources.	Negative
		Opportunity	Climate change presents the Company with an opportunity to serve the Global Industrial, commercial and domestic markets in water and wastewater treatment.		Positive
5	Board Oversight, Business Ethics & Governance	Opportunity	Strong governance structures ensure that the Company's mission, strategy, and operations are in line with responsible business practices. Active Board oversight promotes transparency, accountability, and long-term value creation for all stakeholders.		Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	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)
6	Responsible Sourcing	Risk	The Company's supply chain involves procurement of raw materials and services from a wide range of suppliers. Lapses in supplier environmental, labour, or ethical standards expose the Company to reputational, operational, and regulatory risks. Evolving SEBI BRSR value chain disclosure requirements further increase transparency obligations across the supply chain.	1) Supplier Code of Conduct covering environmental, labour, and anti-corruption standards is enforced. 2) Periodic supplier assessments and corrective action tracking. 3) Prioritisation of procurement from certified and responsible vendors. 4) Engagement with critical suppliers on sustainability improvement	Negative
7	Occupational Health & Safety	Risk	Manufacturing and project execution environments carry inherent risks of occupational injuries, chemical exposures, and work-related illnesses. Non-compliance with applicable safety regulations can result in workplace incidents, regulatory action, and reputational harm, while also impairing workforce productivity and morale	1) Implementation of a robust Occupational Health & Safety Management System across all operations and project sites. 2) Regular hazard identification, risk assessments, and safety audits. 3) Mandatory safety training for employees and contractual workers. 4) Deployment of leading safety indicators alongside incident tracking (LTIFR, TRIR). 5) Emergency preparedness drills and near-miss reporting culture	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	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)
8	Branding and Reputation	Opportunity	The Company's reputation for delivering high-quality, sustainable solutions is a strategic asset that directly influences customer preference, talent attraction, and investor confidence. Consistently demonstrating ESG leadership, ethical conduct, and stakeholder responsiveness reinforces the Company's brand equity and competitive differentiation in the marketplace.		Positive
9	Economic and Stakeholder Value Creation	Opportunity	The Company's ability to generate sustained economic value for shareholders, employees, suppliers, and the communities in which it operates is central to its long-term viability and social licence. Demonstrating shared value creation across stakeholder groups strengthens trust and reduces regulatory scrutiny.		Positive
10	Customer Relations	Opportunity	Building deep, trust-based relationships with customers across segments enables the Company to better understand evolving needs and deliver innovative tailored solutions. Strong customer relationships support long-term contracts, recurring revenue, and referral-driven growth.		Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	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)
11	Circular Economy	Opportunity	There is growing imperative to reduce resource consumption at the source. By enabling resource recovery during waste treatment, the Company contributes to a circular economy while improving operational efficiency and minimizing environmental impact.		Positive
12	Community Engagement and CSR	Opportunity	Engaging meaningfully with local communities enhances the Company's social license to operate. Through initiatives in education, healthcare, sanitation, access to clean drinking water, and rural development, the Company contributes to improving the quality of life in the areas where it operates.		Positive
13	Employment – Diversity, inclusion and equal opportunity	Opportunity	Promoting a diverse and inclusive workplace enhances employee satisfaction and strengthens the Company's employer brand. A merit-based growth environment fosters a culture of fairness and motivates talent retention and acquisition.		Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURE

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	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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), ISO 22000 (Food Safety Management System), WHO GMP, GMP, GLP, REACH, NSF, GOTS, Kosher, Halal, ZDHC, ICIM, IIP-UN, NSF/ANSI/CAN, DSIR 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 delivering energy-efficient, environmentally responsible products and solutions recognising that what we make is inseparable from how we make it. In alignment with the global imperative for accelerated climate action, we have established aspirational targets to achieve carbon neutrality (2030), net-zero GHG emissions (2050) and water positivity across our operations within defined long-term timelines. These commitments are structural to our business. Embedded within our strategic roadmap, they actively shape product innovation, drive operational efficiency, and anchor our stakeholder engagement agenda.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company operates a structured, multi-tiered governance framework to ensure its sustainability commitments translate into measurable outcomes. Progress against ESG targets is periodically reviewed by dedicated internal committees with representation spanning senior management and the Board of Directors, embedding accountability at the highest levels of organisational leadership. Performance is tracked systematically across each ESG principle, with corrective mechanisms activated proactively where gaps are identified. Where targets are not met, the Company undertakes rigorous root cause analyses and recalibrates its strategies accordingly, ensuring the long-term sustainability vision remains intact even as near-term pathways are refined.								

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) At Ion Exchange, purpose and responsibility have never been peripheral to how we do business – they are foundational to why we exist. Through this Business Responsibility and Sustainability Report (BRSR), we reaffirm our commitment to transparent, accountable disclosure of our Environmental, Social, and Governance (ESG) performance and progress across all stakeholder groups. The context in which we operate has shifted fundamentally. Sustainability is no longer a regulatory mandate to be managed – it is a strategic enabler of resilience, competitive differentiation, and long-term value creation. Over the past year, we have moved decisively from intent to integration. ESG risks are now embedded within our Enterprise Risk Management framework, ensuring that climate and sustainability considerations are assessed with the same rigour as financial and operational risks. We have set long-term aspirational targets to achieve carbon neutrality, net zero and water positivity and we continue to invest in sustainable products and processes that tangibly reduce our environmental footprint. Beyond our own operations, we have deepened our engagement across the value chain, expanding collaborations with waste recyclers, scaling resource-efficient solutions, and advancing community development through targeted, locally relevant initiatives. We recognise that systems-level change requires collective action, and that our influence as a top provider in the water and environment sector carries with it a corresponding responsibility to lead. We are clear-eyed about the challenges ahead. The transition to a low-carbon, water and nature-positive economy will demand ongoing adaptation, innovation, and honest reckoning with gaps in our progress. We embrace that complexity, because we understand that credible sustainability leadership is defined not by the absence of challenges, but by the quality of our response to them. We remain firmly committed to continuous improvement and to delivering enduring value for our employees, customers, partners, communities, and the planet.	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Indraneel Dutt, Managing Director & CEO
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 constituted a dedicated core group responsible for addressing sustainability-related matters, including Business Responsibility and Sustainability Reporting (BRSR). This group operates under the leadership of Mr. Indraneel Dutt, Managing Director & CEO, and is tasked with driving the Company's ESG strategy, monitoring performance, and ensuring alignment with sustainability goals. The group works closely with the senior management of the company to integrate sustainability considerations into key decision-making processes.

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	YES *	NO	YES *	YES *	NO	YES *

* TÜV SÜD 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:

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

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:

<table>
<tr><th>Segment</th><th>Total number of training and awareness programmes held</th><th>Topics/ Principles covered under the training and its impact</th><th>% Of persons in respective category covered by the awareness programmes</th></tr>
<tr><td>Board of Directors</td><td>6</td><td rowspan="2">Regular updates and awareness sessions on regulatory changes are conducted for the Board of Directors and Key Management Personnel (KMPs). Topics covered include:
1)Corporate Governance
2)Companies Act
3)SEBI Listing Requirements
4)Environmental & Safety matters
5)BRSR</td><td>100%</td></tr>
<tr><td>Key Management Personnel</td><td>6</td><td>100%</td></tr>
<tr><td>Employees other than BoD and KMPs</td><td>581</td><td>All (Ethical Compliance Standards including Company’s Code of Conduct) Sustainability, ESG, HSE</td><td>100%</td></tr>
<tr><td>Workers</td><td></td><td>Not Applicable</td><td></td></tr>
</table>

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 INR)	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

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://ionexchangeglobal.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 2025-26	Previous Financial Year 2024-25
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 2025-26		Previous Financial Year 2024 - 25	
	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 2025-26		Previous Financial Year 2024-25	
	Number	Remarks	Number	Remarks
Number of days of accounts payables	133		128	

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 2025-26	Previous Financial Year 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	5.28%	9.88%
	b. Number of trading houses where purchases are made from	602	641
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	40.49%	37.17%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	12.31%	11.43%
	b. Number of dealers / distributors to whom sales are made	1186	1308
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	16.43%	19.77%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	4.72%	2.69%
	b. Sales (Sales to related parties / Total Sales)	7.73%	7.72%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	97.63%	99.54%
	d. Investments (Investments in related parties / Total Investments made)	98.26%	98.45%

Leadership Indicator

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

Total number of awareness programmes held	Total number of awareness programmes held	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
03	Responsible Supply Chain, Sustainability	27%

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.

Link: https://ionexchangeglobal.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 2025-26	Previous Financial Year 2024-25	Details of improvements in environmental and social impacts
R & D	**99.83%**	99.9%	A significant and intentional portion of the company's R&D investment is directed toward innovation that generates measurable environmental and social outcomes – as a primary design criterion. Our research agenda is structured around the most pressing challenges at the intersection of industry and planetary boundaries: minimising emissions of both short and long-lived climate pollutants, achieving Zero Liquid Discharge (ZLD), advancing energy efficiency, eliminating hazardous chemical effluents and maximising product yield through process innovation. This portfolio of R&D priorities reflects a deliberate shift toward solutions that are regenerative by design, where technological advancement and resource stewardship reinforce each other. In doing so, we are positioning innovation not merely as a driver of commercial competitiveness, but as our most scalable lever for contributing to a water-positive and low-carbon, circular economy.
CAPEX	**89.81%**	71.6%	Capital allocation at Ion Exchange is increasingly reflective of our sustainability commitments, with a significant and growing portion of capital expenditure directed toward environmentally responsible initiatives that deliver both operational and planetary value. These investments span the transition to renewable energy, led primarily by solar, alongside water efficiency and conservation, energy performance improvement, resource optimisation, efficient and productive infrastructure, reduction of air and noise emissions, and overall product quality enhancement. Taken together, this capital deployment signals a deliberate repositioning of our asset base, away from resource-intensive dependencies and toward infrastructure that is resilient, low-carbon, and future-proofed against tightening environmental regulation and rising resource costs

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

Yes, The Company has institutionalised sustainable sourcing as a core supply chain discipline. A comprehensive Supplier Code of Conduct, supported by a structured vendor selection process, ensures that environmental, social, and governance expectations extend beyond our own operations and into our supply chain, reflecting the growing recognition that a company's sustainability footprint is only as strong as its weakest upstream link.

Supplier evaluation encompasses compliance with legal requirements and adherence to principles spanning safety, health, environmental protection, social responsibility, and corporate governance.

Suppliers are further assessed on the strength of their certifications, including ISO standards and their demonstrated commitment to responsible resource utilisation and ethical business practices.

This framework positions Ion Exchange to proactively manage Scope 3 supply chain risks, meet the expectations of customers and investors conducting value-chain due diligence, and progressively raise the bar on supplier sustainability performance, contributing to a more resilient, responsible, and circular supply ecosystem.

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

67% of inputs were sourced from suppliers who follows environment sustainability practices.

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. approaches end-of-life waste management as an integral dimension of product stewardship and circular economy commitment, recognising that responsible lifecycle management does not end at the point of sale, but extends through recovery, reuse, recycling, and responsible disposal.

The following systems are in place across all material waste categories:

1. **Plastics (including packaging)**

A systematic segregation protocol for plastic waste streams enables efficient, high-quality recycling outcomes. Under our Extended Producer Responsibility (EPR) framework, we collaborate with authorised recyclers to ensure responsible recovery and recycling of plastic packaging materials, fulfilling both regulatory obligations and our broader commitment to reducing plastic leakage into the environment.

2. **E-Waste:**

All e-waste is routed exclusively to authorised dismantlers and recyclers certified by the relevant Pollution Control Boards, ensuring safe, compliant, and traceable end-of-life management that prevents hazardous materials from entering informal waste streams.

3. **Hazardous Waste:**

A rigorous identification and categorisation protocol governs all hazardous materials within our operations, supported by clearly defined standards for labelling, storage, handling, and disposal. Disposal is executed exclusively through licensed hazardous waste management facilities in full compliance with applicable regulations, minimising environmental liability and protecting community health.

4. **Other Waste:**

Non-hazardous waste is managed through environmentally sound disposal methods as a baseline practice. Beyond compliance, we are actively exploring waste-to-energy technologies to convert suitable waste streams into renewable energy – reducing landfill dependency, recovering embedded resource value, and advancing our circular economy objectives in measurable ways.

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 company has already registered 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 is in line 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 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).**

Name of Product / Service	Recycled or re-used input material to total material	
	Current Financial Year 2025-26	Previous Financial Year 2024-25
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 2025-26			Previous Financial Year 2024-25		
	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	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	Number (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	2747	2747	100%	2747	100%	0	0%	2747	100%	-	-
Female	228	228	100%	228	100%	228	100%	0	0%	-	-
Total	**2975**	**2975**	**100%**	**2975**	**100%**	**228**	**7.7%**	**2747**	**92.3%**	**-**	**-**
Other than Permanent Employees											
Male	113	-	0%	113	100%	-	0%	-	0%	-	-
Female	20	-	0%	20	100%	-	0%	-	0%	-	-
Total	**133**	**-**	**0%**	**133**	**100%**	**-**	**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	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	Number (E/A)	Number (F)	% (F/A)
Permanent Workers											
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 2025-26	Previous Financial Year 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	0.45%	0.41%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	Current Financial Year 2025-26			Previous Financial Year 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/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 (Y/N/N.A.)
PF	100%	-	Yes	100%	-	Yes
Gratuity	100%	-	Yes	100%	-	Yes
ESI	100%	-	Yes	100%	-	Yes
Superannuation	3.02%	-	Yes	3.57%	-	Yes
HDFC NPS	5.37%	-	Yes	6.43%	-	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 Mumbai, 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://ionexchangeglobal.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.**

	Permanent Employees		Permanent Employees	
Gender	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	-
Other than Permanent Workers	-

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

Category	Current Financial Year 2025-26			Previous Financial Year 2024-25		
	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	2975	Nil	Nil	2521	Nil	Nil
- Male	2747	Nil	Nil	2335	Nil	Nil
- Female	228	Nil	Nil	186	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 2025-26					Previous Financial Year 2024-25				
	Total (A)	On Health and safety measures		On skill upgradation		Total (D)	On Health and safety measures		On skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	2860	2658	92.94%	1108	38.74%	2474	2135	86.30%	1935	78.2%
Female	248	232	93.55%	240	96.77%	198	177	89.39%	155	78.3%
Total	**3108**	**2890**	**92.99%**	**1348**	**43.37%**	**2672**	**2312**	**86.53%**	**2090**	**78.2%**
Workers										
Male	Not Applicable									
Female	Not Applicable									
Total	Not Applicable									

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

Category	Current Financial Year 2025-26			Previous Financial Year 2024-25		
	Total(A)	Number (B)	% (B/A)	Total (C)	Number (D)	% (D/C)
Employees						
Male	**2860**	**2860**	**100%**	**2474**	**2474**	**100%**
Female	**248**	**248**	**100%**	**198**	**198**	**100%**
Total	**3108**	**3108**	**100%**	**2672**	**2672**	**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 demonstrated its strong commitment to global safety excellence through recognition by the British Safety Council, having received the prestigious International Safety Award 2026 in the Distinction category with a high assessment score. This recognition reflects the organization's robust safety systems, disciplined execution, and alignment with international best practices in environment, health, and safety. Further strengthening its global safety framework, the Company has secured Premium Membership with the British Safety Council, enabling access to world-class training modules and deploying structured safety learning programs across manufacturing units, project sites, O&M locations, and offices. A centralized governance mechanism ensures effective monitoring, tracking, and continuous capability building across the organization.

The Company's comprehensive EHS Management System covers all employees, contract workers, and operational locations, supported by dedicated EHS teams and Board-level oversight. Chemical, resin, membrane, and engineering businesses hold ISO 14001 certification, while the ICD Chemical division holds ISO 45001 certification. The framework is deployed uniformly across all locations, with leadership engagement integrated into business strategy, operational planning, and performance reviews. This supports the organisation's commitment to a Zero Harm culture.

A Behavior-Based Safety (BBS) program promotes employee participation and hazard awareness across all locations. Digital tools including a mobile-based EHS application and centralized portal enable real-time reporting of near misses, unsafe acts, and conditions, providing enterprise-wide visibility, automated escalation, and improved trend analysis.

Significant workplace safety enhancements include inherently safer design principles embedded into facility planning, deployment of advanced PPE for high-risk activities, and infrastructure improvements such as flange guards, automatic fire suppression, static discharge systems, and safe access equipment. Electrical safety has been reinforced through CO_2 flooding systems, fire-retardant cable coatings, earthing systems, and lightning arrestors, supported by digitized documentation and standardized practices.

Digital transformation has strengthened EHS management through document digitization, multilingual work instructions, and Safety Kiosk systems at key locations (Resin, Ankleshwar and Membrane, Goa) providing on-demand access to safety information. Centralized dashboards and analytics support monitoring, decision-making, and continuous improvement.

Capability building is integral to the EHS framework, with structured web-based training programs covering process safety, chemical handling, permit-to-work systems, and leadership development. Interactive training systems and regular mock drills, fire drills, and rescue simulations ensure immersive learning and emergency preparedness.

Internal and external EHS audits covering manufacturing, projects, and O&M sites ensure compliance, benchmarking, and systematic closure of findings monitored by Corporate EHS. Environmental initiatives include rainwater harvesting, energy-efficient technologies, tree plantation drives, and Extended Producer Responsibility (EPR) compliance with traceability systems.

Employee engagement is reinforced through National Safety Week, Environment Day, Road Safety campaigns, and structured communication via safety bulletins and lessons learned. Continuous improvement is driven by EHS Kaizen programs, safety rating systems, digital incident reporting, and periodic site and corporate reviews. The Company actively participates in national and international EHS forums, contributing to knowledge sharing and global benchmarking.

Through these systems, governance mechanisms, digital initiatives, and cultural interventions, Ion Exchange India Ltd. has built a robust EHS framework, remaining committed to continuous improvement, global best practices, and its Zero Harm vision of ensuring every individual works safely and returns home safely.

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

Ion Exchange India Ltd. follows a comprehensive and layered framework to systematically identify workplace hazards and evaluate associated risks for both routine operations and non-routine tasks. This approach is embedded within its Occupational Health and Safety Management System and reflects alignment with globally recognized safety standards.

At the core of this framework is a proactive process of Hazard Identification and Risk Assessment (HIRA), which is periodically carried out across all facilities. These assessments focus on both task-level and area-specific risks, ensuring that appropriate preventive and control measures are defined, implemented, and regularly reviewed.

For activities that fall outside routine operations or involve elevated risk, Job Safety Analysis (JSA) is applied. This involves breaking down each task into sequential steps to identify potential hazards in advance and establish necessary safeguards, particularly for operations like confined space work, chemical handling, or maintenance shutdowns

In terms of process safety, detailed HAZOP (Hazard and Operability) studies are conducted at critical sites such as Ankleshwar, Patancheru, and Roha. These structured reviews help identify potential deviations in processes and enable the incorporation of engineering and design-level risk controls early in the lifecycle of projects.

Additionally, key process safety elements such as Management of Change (MoC) ensure that any modification in equipment, processes, or materials is carefully evaluated for risk before implementation. This is complemented by Pre-Startup Safety Reviews (PSSR), which verify that all safety requirements are met before commissioning new or modified systems.

To control high-risk operational activities, a formal Permit-to-Work (PTW) system is enforced. This ensures that tasks like hot work, electrical jobs, or excavation are carried out only with proper authorization and under clearly defined safety conditions.

The organization also emphasizes continuous monitoring and improvement through regular EHS audits and reviews, including both internal cross-functional audits and independent external assessments. These help identify gaps and strengthen safety performance over time.

Finally, the use of a digital EHS reporting platform allows employees to report unsafe conditions, near-misses, and behavioral observations in real time, fostering a culture of proactive hazard identification and timely risk mitigation.

Through this integrated and multi-dimensional approach, Ion Exchange ensures consistent, proactive, and effective management of workplace risks, supporting its commitment to maintaining a safe and incident-free work environment.

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

Yes.

Ion Exchange India Ltd. has implemented a robust and accessible system that enables both employees and contract workers to report hazards and step away from unsafe work situations. These mechanisms are an integral part of its safety culture and support its commitment to a Zero Harm workplace.

Workers are encouraged to report unsafe acts, conditions, and near-miss incidents through a digital EHS mobile application and web-based portal. Once a report is submitted, automated notifications are triggered to relevant stakeholders, including site EHS personnel and leadership, ensuring prompt attention and corrective action.

At an organizational level, Corporate EHS teams and business leaders can monitor reported hazards through real-time dashboards. This enhances visibility, ensures timely closure of issues, and promotes accountability across all levels.

Importantly, the company upholds the “Right to Refuse Unsafe Work”, empowering workers to stop tasks and remove themselves from potentially dangerous situations without fear of disciplinary action. This principle is consistently reinforced through inductions, toolbox talks, and ongoing safety engagements.

All reported hazards are systematically reviewed, with root cause analysis conducted and findings captured in MIS reports. These are further evaluated during safety committee meetings, allowing leadership to track trends and implement preventive measures.

Responsibility for resolving hazards is clearly assigned, with defined timelines and follow-up mechanisms. Any delays or gaps are escalated to higher management to ensure closure.

In addition, continuous initiatives such as Behavior-Based Safety (BBS) programs, EHS campaigns, and regular training sessions actively involve workers in identifying risks and strengthening preventive controls.

Overall, these processes create an open, responsive, and accountable environment where workers can safely report concerns and take necessary action to protect themselves and others.

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

Yes, Ion Exchange (India) Ltd. provides comprehensive access to non-occupational medical and healthcare services for all employees and eligible workers, reinforcing our commitment to employee well-being beyond the workplace.

Key provisions include:

- **Group Mediclaim Insurance:**

  All employees are covered under a corporate Mediclaim insurance policy that provides cashless and reimbursement-based medical treatment for self and dependents.

- **ESIC Benefits:**

  Eligible workers are enrolled under the Employees’ State Insurance Corporation (ESIC), which provides medical, maternity, and disability coverage.

- **Health Camps & Preventive Screenings:**

  Regular health check-up camps and wellness screenings are organized across locations, with programs tailored to different age groups and risk profiles.

These healthcare initiatives contribute to a healthier workforce and underscore the company's holistic approach to employee welfare.

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

Safety incident/ Number	Category*	Current Financial Year 2025-26	Previous Financial Year 2024-25
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	-	-
No. 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.

Ion Exchange India Ltd. adopts a holistic and integrated approach to workplace safety and occupational health, embedding these principles into daily operations through strong leadership commitment, employee participation, and technology-driven systems.

A. Measures to Ensure a Safe Workplace

The organization maintains a structured safety framework supported by well-defined procedures and proactive monitoring:

- **Standard Operating Procedures (SOPs) & Safe Work Instructions:** Clearly documented guidelines are implemented for all critical tasks to ensure consistency and risk control.
- **Permit-to-Work (PTW) System:** High-risk activities – such as hot work, confined space entry, and working at height are strictly regulated through an authorization system with defined safety checks.
- **Personal Protective Equipment (PPE):** A standardized PPE matrix is enforced across sites, supported by routine compliance audits.
- **Behavior-Based Safety (BBS):** A company-wide initiative encouraging safe practices through peer observations and leadership involvement.
- **Digital Safety Reporting:** The EHS Mobile App and Portal enable real-time reporting of unsafe conditions and near misses, with automatic escalation to site and business leadership and centralized tracking by Corporate HSE.
- **Incident Investigation:** All incidents and near-misses undergo structured root cause analysis to prevent recurrence and strengthen controls.
- **Safety Audits:** Regular internal cross-functional audits and third-party assessments help identify gaps and drive continuous improvement.
- **Safety Star Rating System:** A performance benchmarking tool applied across manufacturing, project, and O&M sites to elevate safety standards.
- **Emergency Preparedness:** Periodic mock drills for scenarios such as fire, gas leaks, and chemical spills ensure readiness.

- **Contractor Safety Management:** Contractors receive safety induction training, and their activities are monitored through defined compliance systems.
- **Employee Involvement:** Site-level safety committees review hazards, track corrective actions, and promote accountability through initiatives like safety campaigns and Kaizens.
- **Safety Kiosk Systems:** Safety Kiosk machines deployed at the Resin plant, Ankleshwar and the Membrane plant, Goa provide on-site digital access to safety procedures, guidelines, and awareness content, enabling frontline employees to engage with EHS information directly at the workplace.

B. Measures to Ensure a Healthy Workplace

Occupational health is addressed through preventive, monitoring, and compliance-driven measures:

- **Design-Stage Risk Reduction:** Selection of safer technologies and equipment to minimize exposure to hazards.
- **Engineering Controls:** Deployment of interlocks, gas detection systems, and ventilation to mitigate workplace risks.
- **Medical Surveillance:** Comprehensive health monitoring, including pre-employment and periodic check-ups (e.g., ECG, audiometry, pulmonary function tests).
- **Workplace Monitoring:** Regular assessment of noise, lighting, vibration, temperature, and gas levels to ensure safe exposure limits.
- **Hazard Communication:** Clear display of safety signage across operational areas to enhance awareness.
- **Regulatory Compliance:** Continuous monitoring of environmental parameters such as air, water, and waste, in line with statutory requirements.
- **Occupational Health Centres (OHCs):** On-site facilities equipped to provide first aid and basic medical support.

Through this multi-layered approach, the company fosters a proactive Zero Harm culture, ensuring that employees, contractors, and stakeholders operate in an environment that prioritizes safety, health, and overall well-being.

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

	Current Financial Year 2025-26			Previous Financial Year 2025-26		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed 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. follows a structured and continuously evolving approach to address safety-related incidents and significant workplace risks. The organization emphasizes both corrective and preventive actions derived from incident investigations, audits, and ongoing health & safety assessments, ensuring sustained improvement in safety performance.

Key Corrective and Preventive Measures

- **HAZOP and Risk Assessments:** Detailed hazard and operability studies at locations such as Ankleshwar, Patancheru, and Roha help proactively identify process risks and implement appropriate engineering and administrative controls.
- **Corrective Action Tracking & MIS Reviews:** All incidents and audit findings are documented, assigned, and tracked through structured MIS systems and safety committee reviews until closure, ensuring accountability and timely resolution.
- **Root Cause Analysis (RCA):** All incidents are analyzed using structured methods such as 5-Why and Fishbone analysis, with learnings shared across sites to prevent recurrence.
- **Emergency Preparedness Strengthening:** Periodic capability assessments, including work-at-height readiness evaluations, complement regular mock drills and updated emergency response plans to ensure effective response to critical situations.
- **EHS Training & Capacity Building:** In addition to internal training programs, employees and contractors are enrolled in internationally recognized modules such as those offered by the British Safety Council. The Company also holds Premium Membership with the Council, enabling access to advanced online safety training modules, global best practices, and benchmarking resources.
- **Defined Roles and Responsibilities:** Safety responsibilities are embedded within job roles, ensuring accountability at every level of the organization.
- **Stakeholder Engagement:** Regular engagement with employees, contractors, and customers promotes transparency, identifies improvement areas, and strengthens safety culture.

These measures collectively demonstrate a proactive and systematic EHS management approach that not only addresses incidents but also minimizes future risks—reinforcing a strong and sustainable safety culture across the organization.

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, Ion Exchange (India) Ltd. provides comprehensive support to the families of employees and workers in the unfortunate event of their demise. Key benefits include:

- **Employee Deposit Linked Insurance (EDLI):**

  Coverage is extended under the EDLI scheme as per statutory provisions.

- **Gratuity and Provident Fund Settlements:**

  Death-related settlements, including PF, gratuity, and pension contributions, are processed promptly in line with applicable legal frameworks.

- **Medical Insurance Continuation:**

  Medical insurance support is extended to dependents for a defined period post-demise.

- **Education Sponsorship:**

  In select cases, the company offers educational assistance to the children of deceased employees.

- **Support for Workers:**

  For contract or third-party workers, compensatory benefits are administered through registered contractors, who are required to maintain statutory insurance such as ESIC or Workmen's Compensation Insurance, in alignment with legal obligations and our supplier compliance requirements.

These benefits reflect our commitment to the long-term well-being of employees, their families, and our extended workforce.

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. Our admin team checks and verify the statutory obligation met by our value chain partner on periodic basis.

- **Supplier Code of Conduct:**

  All value chain partners are required to adhere to our comprehensive Supplier Code of Conduct – encompassing clauses on statutory compliance, labour law adherence, and ethical business practices. This Code establishes a non-negotiable baseline for what it means to be a partner of Ion Exchange.

- **Contractual Compliance Clauses:**

  Vendor agreements embed mandatory clauses requiring timely deduction and deposition of statutory dues – including PF, ESI, labour cess, GST, and TDS.

- **Documentation and Verification:**

  Our administrative and procurement teams conduct regular verification of compliance documents, including challans, returns, and audit certificates from vendors. This creates a continuous, evidence-based assurance mechanism rather than a point-in-time check

- **Periodic Compliance Audits:**

  We undertake periodic audits and checks of high-risk vendors and contractors to verify adherence to statutory norms. This reflects a risk-proportionate approach to supply chain due diligence.

- **Corrective Measures:**

  Where vendor non-compliance is identified, a graduated response framework is applied, from formal warnings and watchlisting through to delisting, calibrated to the severity and frequency of violations.

- **Training and Engagement:**

  Beyond enforcement, we invest in the compliance maturity of our supply chain through awareness sessions and workshops with key suppliers, recognising that durable value chain integrity is built through capability, not just consequence.

Through these structured controls, Ion Exchange ensures that all partners in its value chain operate with integrity and legal accountability.

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 no. 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 2025-26	Previous Financial Year 2024-25	Current Financial Year 2025-26	Previous Financial Year 2024-25
Employees	0	0	0	0
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, Ion Exchange (India) Ltd. provides structured transition assistance programs to support employees approaching retirement or facing role transitions, in line with our commitment to responsible employment practices. Key elements include:

- **Pre-Retirement Support:**

  Employees approaching retirement receive personalised counselling and guidance spanning financial planning, medical benefits, and lifestyle adjustment – equipping them to transition into post-employment life with confidence and security. This reflects our understanding that financial wellness and mental preparedness are inseparable dimensions of employee well-being.

- **Extension of Service:**

  Based on organizational needs and individual performance, extensions may be granted beyond the standard retirement age, subject to mutual agreement and approval by management.

- **Performance-Based Support:**

  In situations involving underperformance, the company adopts a supportive approach. Employees receive structured feedback, counselling, and defined improvement plans. Termination is considered only after all avenues for support and performance improvement have been exhausted.

- **Ethical Exit Practices:**

  All employment separations, regardless of circumstance are conducted with strict adherence to due process, fairness, and human dignity. Our zero-tolerance policy on violations of critical ethical and compliance norms is applied consistently and transparently, ensuring that the integrity of our workplace culture is preserved at every stage.

These initiatives reflect Ion Exchange's commitment to employee well-being throughout the employment lifecycle and beyond.

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 currently developing a structured assessment framework to evaluate the health and safety practices of our value chain partners. This initiative aims to ensure alignment with our organizational standards and regulatory expectations, while promoting a culture of safety and risk mitigation across our extended ecosystem. Initial assessments have been prioritised for high-value and high-risk partners, focusing on alignment with our organisational safety standards, regulatory requirements, and Zero Harm principles. This phased approach ensures rigour and depth of evaluation, with broader coverage planned progressively across the partner ecosystem.
Working conditions	We are in the process of establishing a comprehensive framework to assess the working conditions of our value chain partners. This framework will focus on key parameters such as labor welfare, workplace hygiene, equitable treatment, and compliance with statutory obligations, ensuring responsible and ethical business practices throughout our supply chain. The assessment process is being designed not merely as an audit mechanism but as a capacity-building opportunity, helping partners strengthen their own working condition standards in alignment with Ion Exchange's expectations.

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.

Ion Exchange (India) Ltd. actively monitors and strengthens health and safety practices across its value chain to mitigate risks and ensure responsible working conditions. In FY 2025-26, this commitment has moved from framework establishment to active deployment, with more structured partner engagement, measurable compliance tracking, and a deliberate shift toward treating supply chain safety as an extension of our own Zero Harm culture rather than a separate compliance obligation. Our approach includes:

- **Enforcement of the Supplier Code of Conduct:**

  All suppliers and contractors are required to adhere to our Supplier Code of Conduct, which sets mandatory standards for health, safety, and working conditions.

- **Periodic Audits and Assessments:**

  We conduct regular audits of our value chain partners to evaluate compliance with occupational health and safety (OHS) norms and identify gaps. Audit findings of exceptional nature are shared with suppliers for corrective action.

- **Corrective Action Implementation:**

  Where non-compliance is identified, corrective action plans are developed in consultation with the concerned partner. Timelines are set for resolution, and progress is closely monitored.

- **Capacity Building and Support:**

  To foster continuous improvement, Ion Exchange provides technical assistance, safety training, and advisory support at partner sites, particularly where operations interface with our own facilities.

- **Shared Safety Resources:**

  Partners working within our premises are provided access to the same health and safety systems, infrastructure, and emergency preparedness protocols as our direct employees.

- **Continuous Monitoring:**

  Partner performance on key safety metrics is tracked through a structured compliance system, with repeat violations leading to escalation or delisting as per policy.

These corrective measures reflect our proactive commitment to ensuring safe, healthy, and legally compliant working environments across our entire value chain.

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.**

Ion Exchange (India) Ltd. approaches stakeholder identification not as a periodic compliance exercise, but as a dynamic, ongoing process central to how we understand our operating environment, manage material risks, and co-create long-term value. Our stakeholder universe spans customers, suppliers, employees, shareholders, regulators, and local communities, each representing a distinct set of expectations, dependencies, and shared interests that shape our sustainability agenda.

Influence and Impact Mapping:

Stakeholders are systematically mapped along two axes: their level of influence on our operations, and the degree to which our activities affect their lives and livelihoods. This dual materiality lens, assessing both financial relevance and real-world impact, ensures that no significant stakeholder relationship is overlooked or underweighted.

Materiality Assessment:

Periodic materiality assessments provide the analytical backbone for prioritising stakeholder groups and their concerns, calibrating our engagement focus to what is most relevant to both business performance and sustainability outcomes. This process is reviewed regularly to reflect evolving stakeholder expectations and emerging ESG risk landscapes.

Cross-Functional Integration:

Stakeholder intelligence is not siloed. Inputs from across the organisation, spanning HR, Procurement, CSR, Legal, and EHS are synthesised to build a holistic, organisation-wide understanding of stakeholder dynamics, ensuring that engagement informs strategy rather than operating in parallel to it.

Continuous Feedback Mechanisms

Structured feedback loops, including regular interactions, surveys, grievance mechanisms, audits, and stakeholder forums provide real-time insight into evolving expectations and emerging concerns. These mechanisms ensure that stakeholder voices are not merely heard, but actively integrated into strategic planning and operational decision-making.

Ion Exchange is committed to maintaining open, transparent, and collaborative relationships with its-stakeholders. Key concerns are addressed through targeted policies, continuous engagement, and by integrating stakeholder feedback into strategic planning and operational decision-making.

In the communities where Ion Exchange operates stakeholder engagement extends beyond consultation into active co-investment in inclusive development.

- **Education and Empowerment:** Targeted programmes focus on skill-building and empowerment, with particular emphasis on children and youth with disabilities.

- **Women-Centric Initiatives:** We direct dedicated efforts toward improving the social and economic status of women through integrated access to education, healthcare, and livelihood training.

- **Rural Development:** Awareness campaigns and infrastructure support are extended to underserved rural populations, promoting long-term well-being and self-reliance.

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	Newsletters, Emailers, Advertisements, Audio visuals, Corporate Websites, Social media platforms, personal meetings, seminars, conferences, customer meets, webinars, exhibitions and promotional materials	Continuous/Real time engagement. Interactions occur on a daily, weekly, or monthly basis, depending on customer needs, project timelines, and engagement requirements.	**Purpose & Scope of Engagement:** • Building strong customer relationships and understanding evolving needs. • Providing value-driven solutions and new application support. • Promoting products, technologies and brand offerings. • Sharing technical knowledge and industry best practices. • Collecting feedback to improve products, services and customer experience. • Communicating company updates, innovations and sustainability initiatives. • Strengthening engagement and brand visibility through regular interactions. **Key Topics and Concerns Raised:** • Product performance, reliability and service quality. • Timely technical assistance and post-installation support. • Project schedules, delivery timelines, and execution progress. • Requirement for customized solutions and emerging application opportunities. • Sustainability practices, regulatory compliance, and ESG initiatives.

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
Supplier	No	Regular meetings with supplier organizations, particularly large and critical vendors engaged in packaging, raw material supply, and equipment for ongoing projects. Communication is maintained through review meetings, emails, procurement portals, and site visits.	Engagement occurs at regular intervals throughout the lifecycle of project execution, during raw material procurement cycles, and during key contract milestones. Frequency may be weekly, monthly, or as per project requirements.	**Purpose & Scope of Engagement:** • Tracking project timelines, deliverables, and technical specifications. • Aligning on procurement schedules and material delivery commitments. • Navigating supply chain challenges, logistical constraints, and inventory planning. • Maintaining adherence to regulatory, environmental, and contractual obligations. • Evaluating supplier performance and quality standards. • Communicating updates on organizational policies, ESG expectations, and code of conduct. **Key Topics and Concerns Raised:** • Delivery punctuality and lead time adherence. • Quality assurance and conformance to technical standards. • Cost competitiveness and commercial terms. • Regulatory compliance, covering safety, labour, and environmental norms. • Joint efforts on innovation and sustainability initiatives.

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
Employees	No	• Online news bulletins and internal communication portals. • In-house magazines and newsletters • Circulars and official corporate announcements • Townhalls • Welfare programs and social initiatives involving employees and their families.	Regular and ongoing-engagements occur monthly, quarterly, or as needed based on organizational updates, employee feedback cycles, or welfare activities.	**Purpose & Scope of Engagement:** • Strengthening employee engagement and workplace satisfaction. • Communicating business updates, performance highlights, and policy changes. • Capturing feedback to improve work culture and operational efficiency. • Supporting career growth through targeted training and upskilling opportunities. • Fostering employee well-being, working environment, work-life balance and inclusion. • Celebrating achievements and nurturing a sense of belonging. **Key Topics and Concerns Raised:** • Career advancement and skill development opportunities. • Performance feedback and appraisal processes. • Workplace safety, welfare, and mental well-being. • Open and transparent communication from leadership. • Recognition and rewards
Shareholders/ Investors	No	• Quarterly investor presentations and earnings calls • Press releases and regulatory disclosures via stock exchanges • Annual General Meetings (AGMs) and postal ballots • Company website and investor relations portal	Regularly-through quarterly, half-yearly, and annual updates, as well as ongoing disclosures and investor interactions	**Purpose and Scope of Engagement:** • Maintaining transparent, timely, and consistent communication on the Company's financial and operational performance. • Providing updates on strategic plans, business outlook, capital allocation, and risk management. • Addressing investor queries and gathering feedback on corporate governance and shareholder value creation. • Upholding regulatory compliance and building trust with institutional and retail investors.

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
				Key topics and Concerns Raised • Business performance and future growth outlook. • Influence of macroeconomic factors and market dynamics. • ESG initiatives and sustainable business practices. • Capital expenditures, dividend policy and returns to shareholders. • Corporate governance standards and disclosures.
Underserved Communities around our operating sites	Yes	- CSR interventions through Ion Foundation (directly or in collaboration with NGOs) - Site visits and on-ground engagement by CSR teams - Interaction with academic institutions and community representatives - Participation in community events organized by local NGOs - Awareness campaigns and outreach via social media platforms. - Local NGO Interface, Community Meetings, Field Visits, Notice Boards, Pamphlets	Ongoing /As and when required, based on project needs and local requirements.	**Purpose and Scope of Engagement:** To plan, implement, and monitor impactful CSR initiatives focused on the socio-economic development of communities in and around the Company's operational areas. The engagement is centered on enhancing access to quality education for underserved children, promoting skill development and vocational training for youth and women, strengthening access to primary healthcare in rural and underserved regions, supporting hygiene and sanitation initiatives aligned with public health priorities, addressing environmental concerns affecting local communities, and enabling sustainable livelihood opportunities that foster income generation and financial independence. **Key Topics and Concerns Raised** access to quality education, with a specific focus on children and adults with special needs; healthcare services, including medical assistance for senior citizens, cancer and thalassemia patients, along with rehabilitation support such as provision of prosthetic limbs for individuals in need; availability of clean drinking water; improvement of residential school infrastructure and promotion of outdoor sports activities; livelihood generation opportunities; and environmental sustainability and resilience at the community level.

Leadership Indicator

1. **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.**

   Ion Exchange operates a structured, multi-tiered consultation process that ensures stakeholder perspectives on economic, environmental, and social (EES) matters are systematically captured, consolidated, and elevated to the highest level of organisational governance – the Board of Directors. Monthly performance reviews, conducted with the participation of Heads of Departments (HODs), form the foundational layer of our stakeholder consultation architecture. HODs are informed in advance of meeting agendas, ensuring that deliberations are grounded in relevant data, evidence, and supporting documentation, which enables informed, substantive dialogue on EES issues.

   The Board is kept comprehensively informed across business, financial, and statutory amendments related to the company.

   Key insights, risk assessments, and stakeholder feedback on EES issues are consolidated by the apex management team and presented to the Board on periodic basis. This ensures that the Board retains both the situational awareness and strategic context needed to provide timely, meaningful guidance on sustainability and governance matters. Where stakeholder consultation is delegated, outcomes are documented, reviewed, and escalated to the Board as part of the management reporting process.

2. **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 actively engages with stakeholders to identify, evaluate, and address key environmental and social issues. A notable example is a collaborative initiative with one of our key customers, which led to the submission of an unsolicited proposal to the Government of Gujarat.

   The proposal involved the treatment of sewage from nearby villages, enabling reuse of the treated water at the customer's industrial facility, and supplying surplus treated water to other industries in the region. This initiative addressed critical regional water scarcity while promoting sustainable reuse of wastewater.

   The government accepted the proposal under a Swiss Challenge model, awarding the contract to our customer. The project was implemented under a Public-Private Partnership (PPP) framework, with stakeholders contributing funding. Ion Exchange India Ltd. was appointed as the EPC contractor responsible for design, engineering, manufacturing, and commissioning of the system.

   This initiative highlights how stakeholder input directly influenced environmental policy and project development, reinforcing our commitment to sustainable and collaborative solutions.

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

   During FY 2025–26, Ion Foundation continued to engage with vulnerable and marginalized stakeholder groups through direct community interactions, field visits, consultations with implementation partners, educational institutions, healthcare organizations, and local community stakeholders. These engagements helped identify key concerns relating to access to quality education, healthcare, livelihood opportunities, safe drinking water, and essential community infrastructure, particularly for economically disadvantaged communities in and around the Company's operational locations.

   Based on these engagements, the Foundation implemented focused interventions across education, healthcare, skill development, rural development, water, and environmental sustainability.

   In education, actions included strengthening school infrastructure, supporting scholarships for higher education, and enabling vocational training programmes to improve employability among youth.

   In healthcare, the Foundation supported preventive and primary healthcare initiatives, medical infrastructure, and treatment access for underserved communities.

   Water and rural development interventions addressed access to clean drinking water and essential infrastructure in villages and community institutions, while environmental initiatives promoted sustainable practices and ecological well-being.

   These initiatives were implemented across factory, head office, and non-factory locations, ensuring inclusive geographic outreach and meaningful impact for vulnerable and marginalized communities, aligned with national development priorities and the Sustainable Development Goals (SDGs).

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 2025-26			Previous Financial Year 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	2975	2975	100%	2521	2521	100%
Other than permanent	133	133	100%	151	151	100%
Total Employees	**3108**	**3108**	**100%**	**2672**	**2672**	**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 2025-26					Previous Financial Year 2024-25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	& (E/D)	Number (F)	% (F/D)
Employees										
Permanent	2975	-	-	2975	100%	2521	-	-	2521	100%
Male	2747	-	-	2747	100%	2335	-	-	2335	100%
Female	228	-	-	228	100%	186	-	-	186	100%
Other than permanent	133	-	-	133	100%	151	-	-	151	100%
Male	113	-	-	113	100%	139	-	-	139	100%
Female	20	-	-	20	100%	12	-	-	12	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 (BoD)	2	INR 5,87,68,621	-	-
Key Managerial Personnel	1	INR 1,20,01,531	1	INR 24,82,213
Employees other than BoD and KMP	2857	INR 628000	247	INR 600000
Workers	-	-	-	-

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

	Current Financial Year 2025-26	Previous Financial Year 2024-25
Gross wages paid to females as % of total wages	6.99%	6.00%

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.

The Company has designated a formal focal point for human rights governance, recognising that meaningful human rights due diligence requires not just policy commitment, but clear organisational ownership and accountability.

The Human Resource department serves as the primary institutional anchor for addressing human rights impacts across the organisation. Its mandate spans three interconnected responsibilities: ensuring consistent compliance with the Company's human rights policy, cultivating a workplace culture grounded in dignity, respect and equity and also coordinating cross-functionally to investigate and resolve reported concerns with rigour and impartiality.

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

The company has established a structured grievance redressal mechanism to address human rights concerns. Grievances can be raised through the Whistleblower Policy, which provides a confidential and secure channel for employees to report any violations or concerns related to human rights.

Upon receipt, every complaint undergoes an initial review by the local Human Resources representative in collaboration with the unit head, ensuring both proximity to context and impartiality of process. Matters are then escalated to Corporate HR, which ensures that resolution is aligned with the Company's Human Rights Policy, Code of Conduct, and all applicable legal requirements.

All grievances are addressed with the utmost sensitivity and seriousness to ensure the protection of individual rights and to foster a safe and inclusive workplace environment.
https://ionexchangeglobal.com/pdf/ionindia/Whistle%20Blower%20Policy.pdf

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

	Current Financial Year 2025-26			Previous Financial Year 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed 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 2025-26	Previous Financial Year 2024-25
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.

Yes.

The Company has established a robust grievance redressal mechanism that guarantees complete protection of complainants against any form of retaliation, intimidation, or harassment, both during and after the investigation process. Grounded in the principles of natural justice and fairness, confidentiality is maintained rigorously throughout every phase of inquiry and resolution. Strict and enforceable measures are in place to protect complainants from adverse consequences of any kind, including unfair termination, demotion, suspension, hostile work environment, or discriminatory and biased conduct. All matters are handled with the highest degree of sensitivity, in full accordance with the Company's anti-discrimination and anti-harassment policies.

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

Yes.

The Company embeds human rights compliance directly into all its commercial agreements and contracts, treating it as a foundational expectation rather than an ancillary provision. All agreements include specific clauses mandating adherence to applicable laws and ethical standards, covering the prevention of child labour, forced labour, workplace safety, and non-discrimination. These contractual provisions ensure that all business partners and vendors are held to the same human rights values and legal responsibilities that the Company upholds within its own operations.

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 human rights-related grievances or complaints were reported during the reporting period. Consequently, there was no requirement to modify or introduce any new business processes. However, the Company continues to review its policies and practices proactively to align with evolving human rights standards and ensure a safe, inclusive, and equitable work environment.

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

The Company is firmly committed to respecting and advancing human rights across all its operations, recognising that this responsibility extends beyond intent to active, ongoing due diligence. Human rights considerations are embedded within our HR and compliance frameworks, covering non-discrimination, equal opportunity, prevention of forced and child labour, and workplace safety and are routinely monitored and assessed across all business units.

Importantly, this commitment does not stop at our own boundaries. We actively ensure that our operations, including those of our contractors and business partners, align with our Human Rights Policy, extending the same standards of accountability across our value chain. Our Human Rights Policy is publicly available on the Company's website, reflecting our commitment to transparency and stakeholder trust.

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?

The Company's administration is actively conscious of its accessibility obligations under the Rights of Persons with Disabilities Act, 2016. Concrete steps are being taken to ensure that employees and visitors with disabilities can safely, independently and with dignity navigate and access the workplace.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
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:

There were no risks or concerns identified during the reporting period that warranted corrective action.

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 2025-26	Previous Financial Year 2024-25
Renewable sources			
Total electricity consumption (A)	GJ	1772.44	1830.73
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	1772.44	1830.73
Non-renewable sources			
Total electricity consumption (D)	GJ	66059.26	53788.81
Total fuel consumption (E)	GJ	63971.24	56954.76
Energy consumption through other sources (F)	GJ	0	0
Total energy consumed from non-renewable sources (D+E+F)	GJ	130030.51	110743.57
Total energy consumed (A+B+C +D+E+F)	GJ	131802.95	112574.31
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	GJ/ INR	0.000004920	0.000004432
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	GJ/USD	0.00009909	0.00009081
Energy intensity in terms of physical output			
Energy intensity (optional) – the relevant metric may be selected by the entity			

Note: PPP conversion rate (levelised) taken from IMF national currency per international dollar

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

TÜV SÜD 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 2025-26	Previous Financial Year 2024-25
Water withdrawal by source (in kilolitres)			
(i) Surface water	KL		0
(ii) Groundwater	KL	12388	7967
(iii) Third party water	KL	384764	315133

Parameter	Unit	Current Financial Year 2025-26	Previous Financial Year 2024-25
(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	397152	323100
Total volume of water consumption (in Kilolitres)	KL	174665	104582
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	KL/ INR	0.00000652	0.00000412
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	KL/ INR	0.00013131	0.00008436
Water intensity in terms of physical output	-	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: PPP conversion rate (levelised) taken from IMF national currency per international dollar

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.

TÜV SÜD South Asia Pvt. Ltd.

4. **Provide the following details related to water discharged:**

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment* Note - Water is treated in ETP (primary, secondary and tertiary) before being sent to CETP	9423	-
(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	222487	213535
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in Kilolitres)	**222487**	**213535**

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.

TÜV SÜD South Asia Pvt. Ltd.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, Ion Exchange (India) has implemented robust effluent management mechanisms across its key manufacturing locations, reflecting a deep-rooted commitment to environmental stewardship and sustainable industrial practices. These measures underscore The Company's recognition that effective effluent management is not merely an operational requirement, but a tangible expression of its accountability to the ecosystems and communities in which it operates.

At the Gujarat resin manufacturing facility, which produces cation and anion exchange resins for water, wastewater, and specialty non-water applications, an advanced effluent treatment system is operational. The facility has ETP capacity of approximately 1300 kilolitres per day (KLD) of wastewater, which is segregated based on chemical characteristics for efficient treatment through dedicated processing streams.

Using cutting-edge wastewater treatment technologies, the plant has a capacity to recover and recycle nearly 700 KLD of treated water for reuse in manufacturing processes, thereby significantly reducing freshwater consumption. The remaining 600 KLD of treated effluent is discharged in full compliance with the discharge norms of the Ankleshwar GIDC Common Effluent Treatment Plant (CETP), as per regulatory approvals.

As part of its ongoing commitment to advancing its sustainability agenda, the Company is actively evaluating AMBC technology designed to achieve full Zero Liquid Discharge (ZLD). Once implemented, this technology is expected to significantly reduce residual liquid discharge and meaningfully enhance the facility's overall environmental performance, representing a concrete step toward closing the water loop and eliminating liquid waste at source.

The Company has established a state-of-art modern resin manufacturing plant at Roha, Maharashtra during the year. The ETP with ZLD facility at this unit has a capacity to treat 3000 KLD of wastewater.

In addition, at the Patancheru chemical manufacturing unit, the company currently recycles approximately 30 KLD of effluent using a wastewater treatment plant equipped with an Evaporator system. This facility has a capacity of 52 KLD, further reinforcing the company's commitment to resource conservation and circular water usage.

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 2025-26	Current Financial Year 2024-25
NOx	µg/m^3	26.49	23.63
SOx	µg/m^3	16.67	18.04
Particulate matter (PM10)	µg/m^3	51.80	51.16
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.

TÜV SÜD 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 2025-26	Previous Financial Year 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	4375	3591
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	12888	10530

Parameter	Unit	Current Financial Year 2025-26	Previous Financial Year 2024-25
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	t CO2e/ INR	0.000000644	0.000000556
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)	t CO2e/ USD	0.00001298	0.00001139
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: PPP conversion rate (levelised) taken from IMF national currency per international dollar

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.

TÜV SÜD South Asia Pvt. Ltd.

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.** Yes, Ion Exchange (India) Ltd. Has undertaken a series of initiatives to reduce its greenhouse gas (GHG) emissions across its operations. These efforts are aligned with the company's broader environmental objectives and its aspiration to become Carbon Neutral by 2030 and Net Zero by 2050.

   Key GHG Reduction Projects include:

   1. Installation of rooftop solar PV systems with efficient solar panels, with a cumulative solar PV capacity of 1606 KWp to harness renewable energy.
   2. Use of energy-efficient screw chillers with brine systems.
   3. Use of cleaner fuels such as CNG and LPG in boilers and ovens, instead of diesel.
   4. Adoption of battery-operated electric forklifts, pallet trucks, reach trucks/stackers and cleaning machine.
   5. Use of electric buses for internal mobility.
   6. Installation of variable frequency drives (VFDs) with chillers, pumps, air compressors and fans.
   7. Installation of non-electric wind turbo-ventilators for roof ventilation.
   8. Deployment of 5-star energy-efficient HVAC systems with inverter and VRF technology.
   9. Widespread adoption of LED lighting systems with occupancy sensors.
   10. Replacement of worm gearboxes with energy-efficient planetary gearboxes in reactors.
   11. Use of fluid bed dryers instead of traditional rotary vacuum paddle dryers.
   12. Deployment of energy-efficient diesel generators.
   13. Use of energy-efficient cooling towers.
   14. Installation of filter press systems in place of decanters (centrifuges).
   15. Implementation of steam condensate recovery systems and upgraded steam traps.
   16. Adoption of energy-efficient motors.
   17. Use of transparent roofing sheets and side glass windows to maximize natural daylight.
   18. Installation of high-performance thermal insulation to minimize heat loss.
   19. Extensive tree plantation programs to improve carbon sequestration and green cover.

   These projects demonstrate our commitment to reducing carbon intensity, optimizing energy use, and integrating sustainability into all facets of our operations. The company continues to invest in renewable energy and energy-efficient technologies, supported by favourable government policies and technological advancements, to ensure cost-effective and impactful progress toward its Net Zero vision.

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

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.060	0.035
E-waste (B)	0.000	0.000
Bio-medical waste (C)	0.001	0.000
Construction and demolition waste (D)	0.000	0.000
Battery waste (E)	0.908	0.000
Radioactive waste (F)	0.089	0.000
Other Hazardous waste. Please specify, if any. (G)	14047	16007
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	256	229
Total (A+B + C + D + E + F + G + H)	14303	16237
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT/INR)	0.000000534	0.000000639
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)(MT/USD)	0.00001309	0.00001310
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	202.81	0.00
(ii) Re-used	0.00	0.00
(iii) Other recovery operations	14033.70	0.00
Total	14236.50	0.00

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

Category of waste		
(i) Incineration	0.00	53.29
(ii) Landfilling	4.58	0
(iii) Other disposal operations	87	16284
Total	91	16337

Note: PPP conversion rate (levelised) taken from IMF national currency per international dollar

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.

TÜV SÜD 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.

Ion Exchange (India) Ltd. is committed to sustainable and responsible waste management as a core component of its environmental stewardship practices. The Company follows a comprehensive waste management framework to ensure that both hazardous and non-hazardous wastes are handled, treated, and disposed of in an environmentally sound and compliant manner.

Hazardous Waste Management:

All hazardous waste generated during manufacturing and operational processes is securely stored and channelled for scientific treatment and disposal to Common Hazardous Waste Treatment, Storage, and Disposal Facilities (CHWTSDF), duly authorised by the State Pollution Control Board (SPCB). As a registered member of the CHWTSDF, the Company ensures full compliance with all applicable environmental regulations. Disposal methods include secure landfilling and high-temperature incineration, carried out in line with regulatory standards to ensure safe and risk-free waste handling.

E-Waste Management:

The Company has implemented a structured e-waste disposal programme in collaboration with SPCB-authorised recyclers. All electronic waste generated across the Company's facilities is routed through these licensed agencies for eco-friendly recycling, dismantling, and safe disposal, preventing environmental contamination and actively supporting circular economy practices.

Reduction of Hazardous and Toxic Chemicals:

In keeping with its commitment to pollution prevention and sustainable operations, Ion Exchange (India) Ltd. continuously evaluates and refines its processes to reduce reliance on hazardous substances. Key initiatives include

- The substitution of hazardous chemicals with safer, environmentally benign alternatives wherever feasible;
- The adoption of green chemistry principles in product development and process design;
- The implementation of closed-loop systems to minimise exposure and prevent accidental releases;
- Investment in advanced process control technologies to optimise chemical usage and reduce waste generation at source.

The Company also conducts regular training and awareness programmes for employees and operational staff on the safe handling, storage, and emergency response procedures related to hazardous materials.

These integrated efforts reflect Ion Exchange (India) Ltd.'s proactive and systems-oriented approach to environmental responsibility, ensuring that waste is minimised, resources are conserved, and compliance with environmental standards is consistently upheld.

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, Ion Exchange (India) Ltd. is fully compliant with all applicable environmental laws, regulations, and guidelines in India. This includes the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and the Environmental (Protection) Act, along with relevant rules and amendments notified by central and state authorities. The company maintains valid consent, authorizations, and approvals from the respective State Pollution Control Boards (SPCBs) and adheres to prescribed norms for emissions, effluent discharge, and waste management. There have been no instances of non-compliance during the reporting period.

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	-	-	-

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:

1. Name of the area
2. Nature of operations
3. Water withdrawal, consumption and discharge in the following format:

As per recent assessment report released by Central Ground Water Authority (CGWA) in November, 2025, the below locations are in water-stressed areas: Patancheru, Hosur.

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	2413	-
(iii) Third party water	41335	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	43748	-
Total volume of water consumption (in kilolitres)	34326	-
Water intensity per rupee of turnover (Water consumed / turnover)	0.000001281	-
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	-	-

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
- 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.

TÜV SÜD South Asia Pvt. Ltd.

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

Parameter	Unit	Current Financial Year 2025-26	Previous Financial Year 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, 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.

Yes, Ion Exchange (India) Ltd. has implemented several resource efficiency and environmental impact reduction initiatives across its operations. Key initiatives include:

- Wastewater Reuse and Recycle Systems: Advanced treatment technologies enable the recovery of a significant portion of process wastewater, which is recycled back into operations. For instance, our Gujarat resin plant has the capacity to reuse nearly 700 KLD of treated water, reducing reliance on freshwater sources.
- Effluent Segregation and Targeted Treatment: Wastewater streams are categorized based on chemical characteristics, allowing for more efficient and tailored treatment. This enhances water recovery and minimizes environmental discharge.
- Implementation of Energy-Efficient Equipment: Adoption of energy-efficient chillers, LED lighting with occupancy sensors, and Variable Frequency Drives (VFDs) for pumps and fans has led to measurable reductions in energy consumption and carbon emissions.
- Use of Renewable Energy: Rooftop solar photovoltaic systems (totalling 1606 kWp) have been installed at multiple locations, reducing grid dependency and contributing to GHG emission reductions.
- AMBC Technology for ZLD: Cutting-edge technology is under trail for ETP Zero Liquid Discharge (ZLD) at our Gujarat facility, targeting complete elimination of liquid effluent discharge in the near future.
- Reduction in Hazardous Chemicals: Wherever feasible, process innovations have allowed for the substitution of hazardous substances with safer alternatives, in line with green chemistry principles.

These initiatives have delivered tangible environmental outcomes, including:

- Substantial reduction in freshwater consumption.
- Measurable improvements in energy efficiency and a lower carbon footprint.
- Strengthened compliance with environmental norms.
- Significant reduction in the volume of waste directed to disposal facilities.

Further information is available in the Essential Indicator - Principle 6, Sl. No. 4 of this BRSR report.

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.

Yes. The Company maintains a comprehensive Business Continuity and Disaster Management Plan, anchored by a standardised Emergency Preparedness and Response protocol applicable across all manufacturing units. The plan addresses a broad spectrum of risks including natural disasters, technological failures, health emergencies, and cyber threats, with clearly defined preventive, mitigation, and response measures for each. Integrated within the Enterprise Risk Management framework, it ensures operational resilience, employee welfare, and asset protection. Near and far Disaster Recovery (DR) sites with real-time data synchronisation, regular data backups, cybersecurity audits, vulnerability assessments, and endpoint protection are maintained. Remote access is secured through encrypted protocols and firewall safeguards.

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

As of the reporting period, no significant adverse environmental impacts have been identified or reported across our value chain. While formal monitoring mechanisms are currently being developed, the Company has proactively initiated steps to evaluate and document potential environmental risks upstream and downstream. These efforts are guided by our existing sustainability practices and regulatory commitments. We are in the process of implementing structured environmental assessments and supplier engagement frameworks to systematically identify, monitor, and mitigate future environmental impacts arising from our value chain operations, reflecting our commitment to continuous improvement in environmental due diligence.

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

8. How many Green Credits have been generated or procured:

a. By the listed entity - **Nil**

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners – **NA**

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 13 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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers / associations (State /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	Advocacy for sustainable and circular water management practices including industrial wastewater treatment and reuse, decentralised wastewater solutions, sludge management, adoption of alternate water sources and promotion of advanced/non-electric water purification technologies	Engagement with Ministry of Jal Shakti, CPCB, DPIIT and other stakeholders through policy submissions, consultations and industry interactions on ZLD implementation, decentralised systems, water efficiency standards and related sectoral initiatives	No – Details of policy advocacy initiatives and related engagements are not placed in the public domain owing to confidentiality and regulatory considerations. However, all such interactions are internally documented through emails, meeting records, position notes and stakeholder engagement records. Relevant developments and outcomes may, from time to time, be reflected through industry association publications, conferences, seminars or consultation forums.	Reviewed by Apex management team which includes members of the Board of Directors	
2	Support to national priorities and sustainability goals through promotion of clean technologies, domestic manufacturing of water solutions, skilling initiatives for rural water operators and alignment with Jal Jeevan Mission, Swachh Bharat Mission, Make in India and SDGs 6, 7, 9, 12 and 13	Participation in policy dialogues, technical forums, industry consultations and knowledge-sharing platforms to encourage sustainable, low-footprint and resource-efficient water management practices		Reviewed by Apex management team which includes members of the Board of Directors	
3	Contribution towards development of regulatory frameworks, industry standards and responsible policy engagement in the water and environment sector	Representation through leadership positions in industry bodies including ICC, CII, WQIA and PPMAI, with all advocacy initiatives undertaken in line with internal governance protocols and approvals from the Apex Management Team		Reviewed by Apex management team which includes members of the Board of Directors	

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:**

   Ion Exchange (India) Limited, has a structured grievance redressal mechanism to receive, review, and address concerns raised by local communities. Regular engagement is carried out through field visits by dedicated teams, enabling early identification of issues and continuous feedback. These efforts are supported by its CSR arm, Ion Foundation, in collaboration with NGO partners who assist in on-ground implementation and feedback collection.

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

	Current Financial Year 2025-26	Previous Financial Year 2024-25
Directly sourced from MSMEs / small producers	28.53%	22.6%
Directly from within the India	93.22%	90.0%

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 2025-26	Previous Financial Year 2024-25
Rural	0.02%	1.96%
Semi-urban	16.34%	6.19%
Urban	15.53%	17.93%
Metropolitan	68.11%	73.91%

(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 INR)
		NIL	

At present, the company has not undertaken any CSR projects in the government identified aspirational districts. This is primarily due to the significant geographical distance between these districts and our operational sites. Instead, our CSR efforts have been concentrated in regions where we have a physical presence, such as Telangana, Navi Mumbai, Roha, Goa, Palghar, Ankleshwar, and Tamil Nadu, ensuring meaningful engagement with and measurable impact on local communities. We remain open to exploring opportunities in aspirational districts where alignment with our operational and community outreach capabilities is feasible.

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

   Currently, the company does not have a formal preferential procurement policy focused on sourcing from suppliers belonging to marginalized or vulnerable groups. The nature of our procurement involves large-scale purchases of industrial goods and specialized components, which are typically sourced from established suppliers.

   (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)	Benefit 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
	Not Applicable	

6. **Details of beneficiaries of CSR Projects:**

The Company ensures that its CSR initiatives create meaningful impact among the most vulnerable sections of society. The beneficiaries primarily include individuals from economically weaker sections, rural and semi-urban communities, women, and children with limited access to essential services. Through targeted interventions across education, healthcare, water & sanitation, and livelihood enhancement, the Company promotes inclusive and equitable development.

During the year, over 50 projects were implemented across factory, head office, and non-factory locations, ensuring balanced geographic outreach with a focus on nearby communities. These initiatives collectively impacted over 60,955 beneficiaries, delivering measurable outcomes aligned with national priorities and the Sustainable Development Goals (SDGs).

Sr. No.	CSR Project	Number of person benefited from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	Education	34,623	100% focus on underprivileged communities, including economically disadvantaged and marginalized groups.
2	Health & Hygiene	21,449	
3	Drinking Water facilities	4,000	
4	Rural Development	678	
5	Skill Development	205	

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.**

   Ion Exchange has established a robust, multi-tiered mechanism for registering and resolving consumer complaints. All complaints are systematically logged through our Customer Relationship Management (CRM) system by designated Customer Relationship Officers (CROs) across our offices. Once registered, the complaint is routed to the appropriate authority—such as factory heads or business unit leaders—based on the product category and issue type. After investigation and resolution, the outcome is updated in the CRM system, and the CRO ensures final closure only after customer confirmation, ensuring a transparent, traceable process. This CRM-driven process has been further strengthened through defined turnaround time standards for each complaint category, with adherence to resolution timelines tracked as a formal service performance metric, ensuring that complaint management is not only thorough but consistently timely.

   For Home Water Solution products, we operate a dedicated customer service call center, supported by multiple digital channels including a WhatsApp helpline, website chatbot, and active social media monitoring. All digital queries and complaints are directed to relevant teams for prompt resolution, ensuring customers receive timely support through their preferred communication channels. This omnichannel framework has been further enhanced through the deployment of the Smartflow AI-powered interactive voice response system, which enables automated post-resolution satisfaction capture linked to individual customer IDs, ensuring that every closed complaint is followed by a structured verification that the customer is genuinely satisfied, not merely that the ticket has been closed.

   Beyond complaint resolution, the Company operates a proactive customer feedback ecosystem under the Zero B brand, spanning three structured touchpoints: post-complaint IVR satisfaction checks, WhatsApp-based service feedback, and pre-warranty expiry product health checks.

   For the Hydrolife product range, customer complaints are systematically classified into two streams, product quality-related issues and customer understanding-related issues, enabling more precise corrective action. Engineering and product teams address quality-driven complaints, while communication and onboarding improvements are deployed in response to understanding-related feedback. This two-stream approach ensures that resources are correctly targeted and that both product and customer experience continuously improve.

   Governance of the complaint management framework is reinforced through periodic leadership reviews, in which complaint trends, resolution rates, and satisfaction scores are analysed to identify systemic gaps and drive structural improvements. Customers who register dissatisfaction through the post-resolution IVR are automatically re-escalated, ensuring that the feedback mechanism functions as a genuine grievance redressal loop, not merely a data collection exercise.

   Through these mechanisms, Ion Exchange ensures that every consumer concern is heard, addressed, and verified, upholding its commitment to customer-centricity across all product lines and service channels.

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 2025-26			Current Financial Year 2024-25		
	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/app/uploads/2025/05/PRIVACY_POLICY0002.pdf

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

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

6. **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 the Company's products and services can be accessed via various public domains - websites such as Ion Exchange's official website and social media platforms such as Facebook, LinkedIn, X (Twitter) and YouTube. Following are the web links:

   https://ionexchangeglobal.com/

   https://hydramem.com/

https://zerobhydrolife.co.in/

https://www.zerobonline.com/

https://www.linkedin.com/company/ion-exchange-india-ltd/

https://www.youtube.com/@ionexchange9704

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

https://x.com/IEI_Ltd

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

At Ion Exchange, we are committed to promoting the safe, responsible, and informed use of our products and solutions. The following steps are undertaken to educate and empower our consumers:

- All chemical products and resins are accompanied by Material Safety Data Sheets (MSDS) and Operation and Maintenance manuals, guiding users on safe handling, usage, and disposal throughout the product lifecycle.
- Home Water Solution products are shipped with detailed installation instructions, product specifications, and maintenance guidance to support confident, safe use at the household level.
- We leverage digital platforms, including product-specific QR codes, to provide customers with seamless access to usage guidelines, instructional videos, and best practices.
- Training programmes and awareness campaigns are periodically conducted in partnership with channel partners, with particular focus on institutional clients and large-scale water treatment installations.

Sustainability is embedded in our innovation strategy, and we continuously collaborate with customers to integrate eco-friendly practices and materials into our offerings, ensuring that responsible usage is not just encouraged but actively enabled.

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

For our Home Water Solutions portfolio, any planned or unplanned service disruptions are promptly communicated to customers through banner notifications on our official website. Additionally, our CRM and customer service teams are empowered to notify affected users directly via email, SMS, or call, ensuring that essential updates are communicated efficiently and proactively.

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 company ensures that all mandatory product information is clearly displayed in compliance with applicable legal requirements. In addition, Home Water Solution and Chemical Division products feature QR codes that provide customers with access to extended product details, warranty information, and service contacts. The scope and depth of information accessible through these QR codes has been reviewed and enriched, ensuring that customers can access not only technical specifications but also sustainability credentials, safe disposal guidance, and service escalation pathways, reflecting our belief that transparency is not a compliance threshold but a customer right.

This commitment to information transparency is particularly meaningful in the water treatment and purification segment, where consumer awareness of product performance, filter replacement cycles, and water quality standards directly impacts health outcomes. Ion Exchange takes this responsibility seriously, ensuring that the information provided is not only complete but also accessible, clearly presented, and available in formats suited to diverse consumer literacy levels.

We are committed to transparency and fair business practices. None of our products omit critical information that may affect a customer’s ability to make an informed decision. Across Ion Exchange and its group companies, customer rights, grievance redressal mechanisms, and corporate commitments are clearly communicated through relevant documentation, websites, and helplines.

In FY 2025-26, digital communication channels, including the Company’s website, WhatsApp helpline, and social media platforms, have been actively maintained as accessible touchpoints for product information, reinforcing our commitment to meeting customers where they are rather than where it is convenient for us.

Customer satisfaction assessment is a continuous process embedded into our business operations. We conduct annual customer satisfaction surveys with our industrial customers.

The industrial CSAT framework has been reviewed to ensure that survey parameters remain aligned with evolving customer expectations, with particular attention to sustainability performance, technical support responsiveness, and solution customisation, which are increasingly important dimensions of value for industrial buyers.

For our Home Water Solution customers under the Zero B brand, satisfaction is tracked continuously through a three-channel omnichannel CSAT framework:

- Post-complaint IVR (Smartflow)
- WhatsApp-based feedback
- Pre-warranty expiry health check

Additionally, our dealers and service partners regularly gather feedback from end-users to assess product performance and service quality. This dealer feedback loop has been made more structured, with standardised feedback formats introduced to ensure that insights gathered at the field level are captured consistently and are directly actionable by product and service teams. This information is shared internally with product manufacturing divisions to drive improvements across the value chain.

Through this comprehensive and multi-layered approach to consumer satisfaction measurement, Ion Exchange ensures that customer feedback, whether from industrial buyers, retail consumers, or channel partners, is systematically captured, rigorously analysed, and translated into meaningful improvements across products, services, and customer experiences.

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
1 NO POVERTY			✓	✓				✓	
3 GOOD HEALTH AND WELL-BEING			✓			✓		✓	
4 QUALITY EDUCATION			✓					✓	✓
5 GENDER EQUALITY			✓	✓	✓			✓	
6 CLEAN WATER AND SANITATION		✓				✓		✓	
7 AFFORDABLE AND CLEAN ENERGY		✓				✓	✓		
8 DECENT WORK AND ECONOMIC GROWTH		✓	✓		✓			✓	
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE		✓				✓	✓		
10 REDUCED INEQUALITIES		✓				✓	✓		
11 SUSTAINABLE CITIES AND COMMUNITIES			✓	✓			✓	✓	
12 RESPONSIBLE CONSUMPTION AND PRODUCTION		✓				✓			✓
13 CLIMATE ACTION		✓				✓	✓	✓	
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	✓		✓	✓	✓			✓	
17 PARTNERSHIPS FOR THE GOALS	✓						✓	✓	

	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 one of the few companies globally with the capability to deliver end-to-end water and environmental management solutions across the entire water cycle. With over six decades of expertise, the Company serves industrial, institutional, municipal and residential customers through a comprehensive and integrated portfolio that spans every stage of water and wastewater management—from source water treatment and process water systems to ultrapure water, wastewater treatment, recycling, reuse, resource recovery and environmental solutions.

What distinguishes Ion Exchange is its ability to provide a single-point solution for customers' complete water and environment management requirements. The Company combines advanced technologies, engineered systems, products, consumables, digital solutions and lifecycle services under one umbrella, enabling customers to optimize water usage, improve operational efficiency, ensure regulatory compliance and achieve their sustainability objectives.

Its diversified portfolio encompasses ion-exchange resins, membranes, specialty chemicals, engineering and EPC solutions, wastewater recycling and Zero Liquid Discharge (ZLD) systems, automation, digital monitoring platforms and 24x7 operations and maintenance services. This unique combination allows Ion Exchange to support customers throughout the entire lifecycle of their assets—from design and manufacturing to installation, operation, optimization and long-term performance enhancement.

Further strengthening its value proposition, the Company leverages digital technologies including AI, IoT-enabled monitoring, remote diagnostics and predictive analytics to improve plant reliability, maximize resource recovery and deliver superior lifecycle value. Supported by strong R&D capabilities, a robust manufacturing footprint and a widespread service network, Ion Exchange is uniquely positioned to address the evolving water, wastewater and environmental management needs of industries, municipalities, institutions and communities.

As water security, resource efficiency and environmental stewardship become increasingly critical worldwide, Ion Exchange's integrated "One Partner for Complete Water and Environmental Solutions" approach positions it as a trusted partner in helping customers build sustainable, resilient and future-ready operations.

Global landscape:

Over the past year, the world has witnessed one of the most significant shifts in the global landscape in recent decades. Geopolitical realignments, evolving trade relationships, regional conflicts, supply chain restructuring and increasing focus on economic self-reliance have fundamentally altered the way nations and businesses approach growth, investment and resource security. While global economic activity has remained resilient, uncertainty has become a defining characteristic of the operating environment.

Amid these changes, one theme has become increasingly clear: **sustainability is no longer a conversation, a corporate aspiration or a compliance requirement—it has become a strategic necessity for long-term economic and societal survival.** Increasingly, the ability of nations to secure critical resources, manage environmental impacts and build resilient infrastructure is becoming a measure of competitiveness and progress. In many ways, sustainability is emerging as a key performance indicator not just for corporations, but for nations themselves.

Water lies at the heart of this transformation. As populations grow, cities expand, industries evolve and climate challenges intensify, access to sustainable water resources is becoming one of the defining challenges of our time. Across the world, governments, industries and communities are recognizing that water security is inseparable from economic growth, public health, food security, energy transition and environmental stewardship.

Consequently, we continue to see strong investment momentum across water and environmental infrastructure. Advanced water treatment, wastewater recycling, desalination, resource recovery and water reuse solutions are increasingly being viewed not only as environmental investments but as strategic enablers of industrial growth and national resilience. Regulatory frameworks are becoming more stringent, while customers are setting increasingly ambitious sustainability goals, accelerating the adoption of innovative water management technologies.

At the same time, the emergence of new growth sectors—including semiconductors, electronics, pharmaceuticals, biotechnology, battery manufacturing, green hydrogen, renewable energy and data centres—is reshaping the demand landscape. These industries are highly dependent on reliable supplies of process water and ultrapure water, creating significant opportunities for advanced treatment, recycling and resource optimization solutions.

Technology is also transforming the industry at an unprecedented pace. The integration of Artificial Intelligence (AI), Internet of Things (IoT), automation, digital twins and predictive analytics is enabling smarter and more efficient management of water assets. These capabilities are helping organizations improve operational performance, optimize resource consumption and enhance the resilience of critical infrastructure.

Another defining trend is the growing focus on climate resilience. Regions experiencing water stress are increasingly investing in desalination, water reuse, decentralized treatment systems and circular water management approaches. Around the world, the emphasis is shifting from simply treating water to maximizing the value of every drop through recovery, reuse and resource optimization.

Looking ahead, I remain highly optimistic about the long-term outlook for the global water and environmental management sector. While economic cycles and geopolitical developments will continue to influence short-term market dynamics, the structural drivers underpinning our industry remain stronger than ever. Water security, sustainability, climate adaptation and resource efficiency are no longer optional priorities—they are fundamental requirements for future growth and prosperity.

Industry forecasts continue to project healthy long-term growth across water and wastewater treatment, water reuse, desalination, digital water solutions and resource recovery segments. More importantly, the strategic importance of the sector continues to increase. In a world where resilience, sustainability and responsible resource management are becoming central to national agendas, the water industry is uniquely positioned to play a critical role in shaping a more sustainable future.

At Ion Exchange, we believe this presents not only a significant business opportunity but also a profound responsibility. Our purpose extends beyond providing water and environmental solutions—we are committed to helping industries, communities and nations secure one of their most vital resources and build a more sustainable future for generations to come.

Key trends:

From my perspective, the water industry is undergoing a fundamental transformation. What was once viewed primarily as a utility function is increasingly becoming a strategic enabler of industrial growth, sustainability and resource security. As customers navigate rising environmental expectations, resource constraints and operational challenges, several key trends are reshaping the future of the sector.

1. **Water Reuse and Circular Water Management Becoming the New Normal**

   Industries across the world are moving beyond conventional treatment approaches toward closed-loop water management systems. Water reuse, resource recovery and Zero Liquid Discharge (ZLD) are increasingly becoming integral components of industrial design, particularly in water-intensive and highly regulated sectors. The focus is shifting from water consumption to water optimization, reflecting a broader transition toward circular economy principles.

2. **From Monitoring to Intelligent Water Management**

   The industry is rapidly evolving from data collection to data-driven decision-making. Artificial Intelligence (AI), IoT, advanced analytics and automation are enabling water systems to operate as intelligent platforms that continuously optimize chemical dosing, energy consumption, asset performance and maintenance schedules. The future of water management will be defined not by how much data is collected, but by how effectively it is converted into operational insights and measurable outcomes.

3. **High-Purity Water Demand Driven by Advanced Manufacturing**

   The global expansion of semiconductor fabrication, electronics manufacturing, biotechnology, pharmaceuticals, battery production, green hydrogen and advanced energy systems is creating unprecedented demand for high-purity and ultrapure water solutions. As nations invest in strategic manufacturing capabilities and supply-chain resilience, water infrastructure is becoming a critical enabler of these high-growth industries.

4. **Rise of Flexible and Decentralized Water Infrastructure**

   Customers are increasingly seeking solutions that can be deployed rapidly, scaled efficiently and adapted to changing operational requirements. This is driving growing adoption of modular and containerized water treatment systems, particularly in water-stressed regions, remote locations and rapidly expanding industrial facilities. While large centralized systems will continue to play a critical role in municipal infrastructure, decentralized solutions are becoming an important part of the industry's growth story.

5. **Sustainability Metrics Influencing Investment Decisions**

   Sustainability is no longer evaluated through commitments alone—it is increasingly measured through outcomes. Procurement decisions, financing access and investment priorities are becoming closely linked to measurable ESG performance, water-use efficiency, carbon reduction and lifecycle transparency. Increasingly, sustainability is becoming a key indicator of both corporate performance and national competitiveness, driving organizations to invest in technologies that deliver quantifiable environmental benefits.

6. **Transition Toward Lifecycle and Service-Based Models**

   Customers are placing greater emphasis on long-term performance, reliability and operational outcomes rather than standalone equipment purchases. As a result, the industry is witnessing a gradual shift toward Operations & Maintenance (O&M) contracts, Water-as-a-Service models, performance-based agreements and subscription-driven digital monitoring solutions. While Engineering, Procurement and Construction (EPC) projects will continue to remain significant, particularly in large infrastructure developments, recurring service-led engagement models are becoming increasingly important.

Looking Ahead

Taken together, these trends point toward a future where water management is more integrated, intelligent and sustainability-driven than ever before. As water security becomes a strategic priority for industries and nations alike, organizations that can combine technology, digital innovation, lifecycle services and sustainability outcomes will be best positioned to create long-term value. The industry is no longer simply focused on treating water—it is increasingly focused on maximizing the value of every drop.

Strategic Implications for Ion Exchange:

As the global water and environmental management industry evolves, Ion Exchange remains focused on strengthening its position as a leading provider of integrated water and environmental solutions. Our strategy is aligned with the long-term trends shaping the industry—water security, sustainability, digitalization, resource efficiency and industrial transformation. By leveraging our unique end-to-end capabilities, we are focused on creating sustainable value for customers, stakeholders and communities while driving profitable growth across domestic and international markets.

1. **Strengthen Technology Leadership Across the Water Value Chain**

   We will continue to enhance our portfolio of ion-exchange resins, membranes and specialty chemicals, with a strong focus on developing high-performance, energy-efficient and environmentally responsible solutions. Continuous investment in innovation and R&D will enable us to address emerging customer requirements across industrial, municipal and infrastructure applications.

2. **Capitalize on High-Growth Industry Opportunities**

   As investments accelerate across semiconductors, electronics, pharmaceuticals, biotechnology, data centres, clean energy, battery manufacturing and advanced manufacturing sectors, we are strengthening our capabilities to deliver application-specific water, wastewater and high-purity water solutions. These sectors represent some of the most attractive growth opportunities for the next generation of water technologies.

3. **Deepen Our Differentiation as an End-to-End Water Partner**

   One of Ion Exchange's key strengths is its ability to serve customers across the entire water cycle. We will continue to strengthen our integrated business model by combining engineering solutions, treatment technologies, resins, membranes, specialty chemicals, automation and lifecycle services to deliver comprehensive water and wastewater management outcomes through a single trusted partner.

4. **Accelerate Digital Transformation and Smart Water Solutions**

   Digitalization is becoming increasingly central to efficient water management. We are expanding the deployment of IoT-enabled platforms, AI-driven monitoring systems, advanced analytics and integrated digital infrastructure to enable real-time performance optimization, predictive maintenance and enhanced customer experience. These capabilities help customers improve reliability, reduce operating costs and maximize asset performance.

5. **Expand Global Footprint Through an India-Led Growth Model**

   As global supply chains continue to evolve, India is increasingly emerging as a preferred hub for engineering, manufacturing and innovation. We are leveraging our strong domestic foundation to expand our international presence, with particular focus on high-growth markets across Southeast Asia, the Middle East and Africa, Europe and USA while positioning India as a global centre for sourcing, technology development and project execution.

6. **Drive Operational Excellence and Future-Ready Capabilities**

   To support long-term growth, we continue to invest in manufacturing capacity, supply chain resilience, research and development, digital capabilities and talent development. These investments are aimed at enhancing scalability, improving competitiveness and reinforcing our position as a technology-driven leader in water and environmental solutions.

7. **Expand Lifecycle Services and Recurring Revenue Streams**

Customers increasingly seek long-term partners capable of delivering sustained performance throughout the lifecycle of their assets. We are therefore strengthening our comprehensive 24x7 service platform, including Operations & Maintenance (O&M), performance optimization, upgrades, consumables, spares management and technical support. This not only enhances customer value and retention but also supports the growth of recurring and service-led revenue streams.

8. **Advance Sustainability and Circular Water Management**

Sustainability remains central to our growth strategy. We are helping customers reduce freshwater consumption, improve resource efficiency and achieve their environmental objectives through water reuse, recycling, resource recovery and Zero Liquid Discharge (ZLD) solutions. As sustainability increasingly becomes a key measure of industrial and national progress, Ion Exchange is committed to enabling a more circular, resilient and water-secure future.

Looking Ahead

The increasing importance of water security, environmental stewardship and sustainable industrial growth presents a significant opportunity for Ion Exchange. With our integrated portfolio, technology leadership, manufacturing capabilities and service excellence, we are uniquely positioned to support customers across the complete water lifecycle. Our strategic focus remains clear: to strengthen our leadership as a trusted partner for end-to-end water and environmental solutions while creating long-term value through innovation, sustainability and operational excellence.

B. HIGHLIGHTS OF PERFORMANCE

Standalone

- Total Income: INR 2,774 crores
- EBITDA: INR 279 crores
- EBITDA Margin: 10%
- Net Profit After Tax: INR 138 crores
- PAT Margin: 5%
- Diluted EPS: 11.257 (Face value INR 1 each)

Consolidated

- Total Income: INR 3,001 crores
- EBITDA: INR 297 crores
- EBITDA Margin: 9.9%
- Net Profit After Tax: INR 143 crores
- PAT Margin: 4.8%
- Diluted EPS: 12.034 (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 delivered a strong performance during the year, supported by healthy order bank and sustained opportunities across key growth sectors. The Company secured several significant orders from the solar sector, reinforcing its execution capabilities, technical expertise and growing presence in renewable energy infrastructure. With investments in clean energy continuing to gain momentum in India and international markets, the business remains well-positioned to expand its participation in this segment.

The Company also increased its focus on emerging sectors such as semiconductors and data centres, where substantial investments are expected over the coming years. These sectors demand high standards of engineering precision, utility integration and reliable project execution — capabilities that the Company has developed over decades of experience. The combination of a robust solar order pipeline and focused business development initiatives across high-growth industries is expected to support the long-term growth trajectory of the Engineering Business.

On a standalone basis, the Engineering segment achieved an external turnover of INR 1,630 crores as compared with INR 1,599 crores in the previous year. Profit from Engineering operations stood at INR 92 crores.

During the year, the Company made significant progress on its desalination projects in North Africa and is now in the final stages of handing over the plants. The project scope also included the design, commissioning and supply of a 240 MLD SWRO skid. These projects further enhanced the Company’s credentials in large-scale desalination and expanded its presence in the MENA region. EPC projects being executed for reputed international contractors such as Tecnicas Reunidas, Saipem, NPCC and Tecnimont also progressed well during the year, reinforcing the Company's ability to execute complex assignments for the global oil and gas sector while adhering to stringent quality and delivery requirements.

On the domestic front, projects with Indian Oil Corporation Limited progressed towards commissioning, while execution momentum remained steady across municipal and industrial assignments, including projects under the Government of India's Har Ghar Jal Mission. The Sri Lanka infrastructure project also moved towards closure during the year, with major systems successfully handed over and stabilised.

Operational efficiency was further enhanced through earlier capacity expansions at Goa and Hosur and the integration of the Wada facility, supporting improved throughput, timely deliveries and enhanced competitiveness. The successful implementation of the SAP enterprise platform across the Engineering Business marked a significant milestone in the Company's digital transformation journey, enabling greater standardisation, real-time visibility, stronger process controls and improved coordination across key business functions.

Membrane

The Membrane Division recorded strong growth during the year through expansion into new markets and increased market share across refinery, fertiliser and steel sectors. The Division secured significant orders from leading customers and further reinforced its position in the water treatment market through its portfolio of ultrafiltration (UF), nanofiltration (NF), reverse osmosis (RO) and membrane bioreactor (MBR) solutions.

During the year, the Division achieved a major milestone through a strategic technology transfer agreement with Mann+Hummel, enhancing its ultrafiltration manufacturing capabilities and strengthening its technological advantage in PVDF UF and MBR membrane production. Phase II expansion of the Goa membrane manufacturing facility is currently under implementation and is expected to significantly enhance production capacity to address growing domestic and international demand.

The Division also advanced its sustainability initiatives through the installation and commissioning of a 350 kWp rooftop solar power project, which is expected to reduce approximately 265 tonnes of CO_2 emissions annually. This initiative complements the Division's continued focus on energy efficiency, fuel optimisation and water conservation measures.

Chemical Segment

The Chemical Segment recorded marginal growth in sales volumes during the year, with export volumes also increasing modestly despite challenging market conditions. Margins remained under pressure due to elevated raw material costs and intense competition across domestic and international markets. The business continued to focus on operational efficiency, product optimisation and strengthening customer relationships across key industrial sectors. During the year, the Company successfully tested its range of Green Chemistry products at various customer sites, reinforcing its position as a provider of environmentally sustainable and value-added solutions.

The Resins business delivered encouraging performance during the year, supported by continued innovation, expanding application opportunities and growing acceptance of sustainable resin technologies. Pharma resin products recorded significant growth, while the Company further strengthened its product portfolio through the development of new ion exchange resins to address evolving customer and industry requirements. A key milestone during the year was the commissioning of both cation and anion resin production at the Company's greenfield resin manufacturing facility at Roha. The facility incorporates advanced non-solvent manufacturing technologies, supporting the Company's Green Chemistry initiatives and enabling the production of solvent-free ion exchange resins. Market acceptance of these products has been encouraging, reinforcing the Company's reputation as a provider of innovative and environmentally responsible solutions.

Sustainability and operational excellence remained key focus areas across the segment. The Company implemented process improvements to enhance pharmaceutical resin manufacturing capabilities, including capacity enhancement initiatives approved by regulatory authorities. The Roha facility has been designed with a strong emphasis on resource efficiency, featuring one of the lowest per-capita water consumption levels among ion exchange resin manufacturers and incorporating extensive water recycling systems based on the Company's proprietary environmental engineering expertise. The Company's manufacturing facilities continue to progress towards zero liquid discharge (ZLD), supporting its long-term sustainability objectives.

On a standalone basis, the segment achieved external sales turnover of INR 667.91 crores compared with INR 649.68 crores in the previous year.

Consumer Products

The Consumer Products business delivered a strong performance during the year, driven by product innovation, expanding market reach and continued investments in digital capabilities across its Home Water Solutions, Institutional and Rural businesses.

The Home Water Solutions business recorded robust growth, supported by a strong innovation pipeline and enhanced brand visibility. Several new products were introduced across water purification, water softening, cooling and heat pump categories, strengthening the ZeroB portfolio and addressing evolving consumer needs across residential and commercial segments. The business further expanded its customer reach through integrated omni-channel marketing initiatives, a strengthened e-commerce presence and focused digital engagement. Continued investments in digital platforms for lead management, sales enablement and customer service, together with the launch of IoT-enabled water softeners, enhanced customer experience while reinforcing ZeroB's position as a provider of smart and innovative water solutions.

The Institutional business also recorded strong growth, with order bookings increasing by over 65%, supported by rising demand from commercial, hospitality, community and government sectors. The business strengthened its market presence through an expanded dealer network, improved customer engagement and enhanced sales governance. Continued adoption of innovative solutions such as membrane bioreactor (MBR)-based sewage treatment plants, New Generation STPs, Indion Hemo, Indion® Quencher and Auto Quencher systems reinforced the Company's position in sustainable water and environmental solutions.

The Rural business maintained strong growth momentum during the year, supported by significant order inflows from government and institutional customers for rural and municipal water treatment projects. The business secured several orders for specialised water treatment systems addressing critical water quality challenges across multiple states.

Supported by a diversified product portfolio, continued innovation, expanding market presence and a strong order pipeline, the Consumer Products business remains well positioned to sustain its growth momentum while strengthening its contribution to the Company's integrated water solutions portfolio.

Exports

Ion Exchange enters its international growth phase from a position of strength. Your Company currently exports to over 60 countries, with exports contributing to a quarter of the Company's turnover. Ion Exchange is now poised to convert the current substantial export base into a larger share of your Company's revenues driven by new manufacturing capacity and geographical expansion.

The growth plan for the international business is driven by expanded manufacturing capacity of Ion Exchange resins at Roha, the significant expansion of the membrane product line and manufacturing at Goa as well as manufacturing and blending units in Saudi Arabia and the UAE. These manufacturing expansions are expected to drive significant revenue growth from global markets especially from North America and Europe for Ion Exchange resin. The membrane factory expansion will enable the Company to offer a full range of membrane products across our subsidiaries through our expanding distribution network in southeast Asia and West Asia.

Your Company's significant presence in the project business in the middle east and North Africa region is expected to be a key pillar for growth in the region with growth opportunities for desalination and wastewater treatment in the GCC region with water scarcity and innovative technologies for water recovery fueling growth. This is supported by Ion Exchange's manufacturing base in the UAE with an In Country Value (ICV) certified unit allowing us to participate in local projects as a local player.

Our strong presence in the APAC region built over the last 3 decades is now strengthened with a new regional push to focus on recurring chemicals and products business beyond engineering projects. Team development in existing countries of Thailand, Indonesia, Sri Lanka and Bangladesh as well as expansions into Philippines and Vietnam are expected to drive this growth.

The Company also expects to accelerate its digital transformation by adopting AI and advanced technologies to not only enhance customer experience and manage partnerships but also to offer products and services that use advanced digital tools to improve plant performance, reduce downtime, and manage customer facilities and utilities effectively.

Digital Initiatives

During FY 2025–26, the Company continued to advance its digital transformation journey and enhance customer engagement capabilities through investments in Artificial Intelligence (AI), cloud technologies, automation and intelligent digital platforms. The successful implementation of the HubSpot platform enabled seamless integration of marketing, sales and customer engagement processes, enhancing lead tracking, nurturing and conversion through an efficient lead-to-order management framework.

Focused digital campaigns across membranes, resins, chemicals, SSD and IoT solutions contributed to consistent growth in product-specific leads and improved customer acquisition across domestic and international markets. Enhanced website traffic, stronger social media engagement and AI-enabled content optimisation further improved the Company's global digital presence and brand visibility.

The Company also expanded its digital water intelligence portfolio through the deployment of its in-house developed Asset Health & Performance Monitoring (APM) platform, leveraging AI and Digital Twin technologies for real-time monitoring of water and effluent treatment plants. Following successful proof-of-concept evaluations, the platform was deployed across select projects and O&M sites, supporting operational efficiency, predictive maintenance and sustainability objectives.

Additional digital solutions introduced during the year included Smart Water Balance, Network Flow Intelligence, Leak Detection and Water Network Performance & Usage Optimisation systems. The Company also advanced its Generative AI-led Digital Thread initiative to enhance engineering, knowledge management and commercial operations through conversational AI tools, automated engineering calculations, and improved CRM and CPQ capabilities.

These initiatives collectively enhanced operational efficiency, customer responsiveness, internal productivity and real-time plant visibility, while supporting the Company's long-term digital-led growth strategy.

D. RISKS, THREATS, CONCERNS AND 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 framework adopted by your Company also covers continuous monitoring of Cyber Security Risks and a robust mitigation plan encompassing a business continuity plan is in place in the event of this risk being materialized. The multi-layered risk management framework adopted 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.

For the Global economy, the year 2025 has been fluid and volatile, with much of the dynamics driven by a reordering of policy priorities in the United States and the adaptation of policies in the other economies to new realities. Since April 25, the Global Economic outlook was volatile with the unfolding of the details of newly introduced policy measures resulting from substantial tariff increase by the US in the month of February 25. In view of the trade policy shifts by many economies and the surge in uncertainty on account of substantial cuts to International Monetary aids and new immigration laws introduced by many countries, the Global growth projections, for 2025, were revised downwards from 3.3% to 2.8%. The world's economies, institutions and markets have been adjusting to a landscape marked by greater protectionism and fragmentation, with dim medium-term growth prospects and calling for recalibration of macroeconomic policies. By July 25, the announcements that lowered the tariffs from the April highs prompted modest upward revision to 3%. Overall no impact was felt on the Inflation projections with increase in projection for US and decrease for other economies. Incoming data for the 1st half of 2025, reflected subdued inflation for Asian countries and steady figures for US. The data also depicted resilience towards the tariff and immigration laws shocks in the 1st half which was largely attributable to temporary factors like front-loading of trade, investment and inventories.

By March 26, global economy was again threatened with the outbreak of war in the Middle east. The global outlook has abruptly darkened following the outbreak of war in the Middle East on February 28, 2026. The closure of the Strait of Hormuz and serious damage to critical production facilities in a region central to global hydrocarbon supply could cause an energy crisis on an unprecedented scale. The headwinds, over past one year, on account of higher trade barriers and elevated uncertainty was offset by the tailwinds from technology related investments, accommodative financial conditions including weaker dollar and fiscal and monetary policy support. The Middle east conflict is a significant counterforce to these tailwinds with its impact on commodity market, inflation expectations and financial conditions. While the growth and inflation revisions are relatively modest at the global level, the impact on the economies in the conflict areas as well as more vulnerable regions and more specifically in the commodity importing emerging markets and developing economies with their pre-existing fragilities is much more pronounced.

Though, on the Global front, India included, the year 2025 began with one set of expectations and ended with another, India's strong macroeconomic performance was one of the notable continuity. Growth was strong in the first quarter and continued to improve in the subsequent two quarters. The central bank cut interest rates aggressively and loosened liquidity conditions. The government announced significant tax breaks for households in the budget for fiscal year 2026 (FY26) in February. For FY25, Fiscal deficit of 4.8% of GDP, against the budgeted 4.9% was achieved and for FY26 target of 4.4% was announced. In April 25, when the President of the United States announced reciprocal tariffs of 25% on Indian products and services, India was expected to strike an early agreement with the US administration and lower them. However, an additional penal tariff of 25% on most of India's merchandise exports to the United States was announced which spiraled in India revising the growth forecast downwards. But in reality, growth accelerated due to a slew of structural reforms and policy measures. Further, by the end of March 26, the geo-political conditions on global arena compelled the World Bank has lowered its global growth forecast for 2026 to 2.5%, citing the economic fallout from the ongoing West Asia crisis, rising energy cost and heightened uncertainty across markets. Despite the growing global challenges, World Bank expects India's GDP to grow 6.6% in fiscal year 2026-27, following an estimated 7% growth in 2025. Further, it projected the estimated growth of 7.2% in 2027 and 7.0 in 2028.

During 2025-26, your Company continued its assessment of impact of its long term and short term engagements with the geographies of interests. For

Engineering segment, on the upside, the Sri Lankan contract closure is progressing on track, and is expected to completed in FY 2026-27. On the downside, Planned dispatches of high value Engineering contracts to the GCC geographies got impacted due to the West Asia crisis. However, with the adjustment to cost and realignment of logistic routes in wake of the crisis, clearances from the customer to proceed with the execution were received by the 1st Quarter of FY 2026-27. Order inflow/backlog was impacted by delayed finalizations of some large-value opportunity. On the Chemical segment front, export shipments during March 2026, were impacted by logistics disruptions arising from the West Asia crisis. The margins for the quarter were impacted due to input cost pressures. The performance and the margins for the 4th quarter were affected on account of these factors. Even with this kind of Headwind and tailwind, impact, your company has strategize to expand presence in overseas geographies with focused attention on its product business.

The performance under Jal Jivan Nigam remained muted on account of non-release of funds from the Water Boards, however, IOCL Panipat Refinery, Raw Water Treatment Plant, one of the largest water treatment package awarded in India was successfully commissioned. In the Chemical segment, Turnover showed sequential and year-on-year improvement across all quarters but Margins, though, maintained overall faced quarter-specific pressures on account of Product mix, Input cost pressures, rising and volatile logistic cost and Roha facility costs. As a mitigating strategy, your Company is passing cost increases to customers to rationalize the margin impact.

Your Company's star performer was the Home Water Segment which continues to record consistent volume growth across all quarters and maintain leadership in softener segment by expanding market share in other segments via focused, aggressive marketing strategies. Your Company has entered into strategic partnerships and such associations are aimed at reducing import dependence, enhances cost efficiency and competitiveness

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. 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 international uncertainties.

E. HUMAN RESOURCES AND TRAINING

During the year, the Human Resources function continued to enhance people processes, employee engagement and capability-building initiatives in alignment with the Company's growth objectives and its commitment to fostering a high-performance, values-driven culture.

To enhance communication and employee engagement, the Company launched Ion Exchange People Connect, an all-employee town hall forum designed to strengthen leadership interaction, transparency and organisational alignment. Talent acquisition efforts remained focused on supporting business expansion.

Employee well-being and engagement remained key priorities through initiatives such as wellness programmes, sports activities, team outings, employee engagement events and financial literacy sessions, fostering a positive and collaborative work environment.

Learning and Development continued to play a pivotal role in building organisational capability, delivering over 16,000 man-hours of training through behavioural, technical and functional learning interventions. A key milestone during the year was the launch of the Learning Management module in SuccessFactors, branded as ION Exchange Academy, providing employees access to a centralised learning repository and curated content through the Skillsoft platform.

Together, these platforms have enabled self-paced learning and strengthened continuous professional development across the organisation.

Targeted capability-building programmes were conducted across Marketing, Sales, Project Management, Technology and Human Resources functions to enhance effectiveness and address evolving business requirements. The Company also launched the BITS:ION Work Integrated Learning Programme in collaboration with the Birla Institute of Technology and Science, Pilani, enabling employees to pursue B.Tech and M.Tech programmes while continuing their professional responsibilities.

Additionally, the Gyaansagar knowledge-sharing initiative continued to promote cross-functional learning, collaboration and knowledge exchange, further strengthening the organisation's learning culture and supporting long-term employee growth.

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

During FY 2025–26, the Ion Foundation continued to deepen its commitment to creating sustainable and inclusive social impact through focused interventions across education, healthcare, skill development, rural development, water and environmental sustainability. The Foundation's initiatives were implemented across communities surrounding the Company's manufacturing locations, offices and operational areas, with an emphasis on addressing local needs while contributing to broader developmental priorities.

Education remained a key focus area, accounting for the largest share of CSR initiatives undertaken during the year. The Foundation supported school infrastructure development, scholarships for higher education and vocational training programmes aimed at improving access to quality education and enhancing future opportunities for students. Particular emphasis was placed on equipping youth with industry-relevant skills through structured training and employability initiatives, helping create pathways towards sustainable livelihoods and economic empowerment.

In healthcare, the Foundation continued its efforts to improve access to preventive and primary healthcare services for underserved communities. Through collaborations with hospitals and healthcare institutions, support was extended towards strengthening medical infrastructure and facilitating access to treatment. Community-based programmes focused on health awareness and basic healthcare services further contributed to improving overall well-being and healthcare accessibility.

Recognising the importance of essential infrastructure and environmental stewardship, the Foundation implemented projects focused on access to safe drinking water, rural development and environmental sustainability. These initiatives supported community institutions and villages through improved infrastructure, while environmental programmes encouraged sustainable practices and ecological conservation. Rural development initiatives also contributed towards enhancing quality of life and building long-term community resilience.

All initiatives were implemented through partnerships with credible organisations and effective utilisation of CSR resources, ensuring meaningful outcomes and wider community reach. During the year, the Foundation successfully delivered over 50 projects across diverse focus areas, creating measurable social impact while aligning with national development priorities and the United Nations Sustainable Development Goals (SDGs). Through these efforts, the Ion Foundation continues to advance its vision of inclusive growth, community well-being and sustainable development.

On behalf of the Board of Directors

Sd/-
Rajesh Sharma
Executive Chairman

Mumbai, 5th August, 2026

CORPORATE GOVERNANCE REPORT

1. PHILOSOPHY:

The Company's philosophy on Corporate Governance goes beyond regulatory compliance and is founded on the principles of integrity, transparency, accountability, fairness and responsible conduct. The Company is committed to effective oversight, prudent risk management and disciplined decision-making to create sustainable long-term value for all stakeholders. The Company complies with the applicable requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time.

2. BOARD OF DIRECTORS (THE BOARD):

i. Composition & Category of Directors as on 31st March, 2026;

The Board comprises of ten (10) directors, consisting of five (5) Non-Executive Independent directors, three (3) Non-Executive Non - Independent directors, one (1) Executive Chairman and one (1) Managing Director & CEO.

The Composition of the Board is given below:

Name	Category	Promoter/ Non - Promoter/ Promoter Group
Mr. Rajesh Sharma	Executive Chairman	Promoter Group
Mr. Dinesh Sharma	Vice - Chairman	Promoter Group
Mr. Aankur Patni	Vice - Chairman	Promoter Group
Mr. Indraneel Dutt	Managing Director & CEO	Non - Promoter
Mr. M.P. Patni	Non - Executive Non - Independent Director	Promoter Group
Mr. David Rasquinha	Independent Director	Non - Promoter
Mr. Sanjay Joshi	Independent Director	Non - Promoter
Mr. Gopalaraman Padmanabhan	Independent Director	Non - Promoter
Mr. Amitava Guharoy	Independent Director	Non - Promoter
Mrs. Alka Arora Misra	Independent Director	Non - Promoter

The Company does not have any Nominee Director on its Board.

ii. Board Meetings, Annual general meeting and Attendance of each Director

The Company held seven (7) Board Meetings during the financial year on the following dates:

1. 28th May, 2025,
2. 30th July, 2025,
3. 9th September, 2025,
4. 4th November, 2025,
5. 29th January, 2026
6. 18th March, 2026
7. 27th March, 2026

At every board meeting, the matters specified under Schedule II (Part A) of Listing Regulations were placed before the Board for its consideration and discussion.

The Notice of each Board Meeting, Agenda along with relevant notes and other 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 of the Company was held on 9th September, 2025 and was attended by all Ten Directors.

The attendance of directors at the Board meetings, 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 31/03/2026 (including this entity)#	Member/Chairman of committees of other company(s) as on 31/03/2026 (including this entity)*	Name of other Listed Company (s) in which Director holds Directorship & Category of Director
Mr. Rajesh Sharma	7	18	0	-
Mr. Indraneel Dutt	7	11	0	-
Mr. M.P. Patni	7	8	1	-
Mr. Dinesh Sharma	6	8	1 Chairmanship	-
Mr. Aankur Patni	7	10	2	-
Mr. David Rasquinha	7	6	6 (Including 5 Chairmanships)	1. **Ajanta Pharma Limited** Non-Executive -Independent Director
Mr. Sanjay Joshi	7	4	3 (Including 1 Chairmanship)	1. **Gujarat Alkalies and Chemicals Limited** Non-Executive -Independent Director
Mr. Gopalaraman Padmanabhan	7	4	1	1. **Haldyn Glass Limited** Non-Executive -Independent Director 2. **Axis Bank Limited** Non- Executive -Independent Director
Mr. Amitava Guharoy	6	4	1	-
Mrs. Alka Arora Misra	7	6	3 (Including 1 Chairmanship)	1. **Transindia Real Estate Ltd** Non-Executive - Indepen-dent Director 2. **Rajratan Global Wire Limited** Non-Executive - Independent Director

\# It covers foreign, private, public and listed companies.

* Includes only memberships/Chairmanships of Audit and Stakeholders' Relationship Committees

iii. Inter – se relationship among Directors;

- Mr. Rajesh Sharma & Mr. Dinesh Sharma are brothers and
- 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. Indraneel Dutt	Vast experience in the Energy, Renewable, Water & Environmental sectors and complete Energy value chain.
Mr. M.P. Patni	Marketing of heavy and medium engineering equipments, water treatment plants and allied items.
Mr. Dinesh Sharma	Vast experience in field of Business Management, Marketing and Management position.

Name of the Director	Skills/ Expertise/ Competence
Mr. Aankur Patni	Finance Management & Information Technology.
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.
Mr. Gopalaraman Padmanabhan	Vast experience in Banking Regulations, Information Technology, Payment Systems, Risk Management, Economics, Finance, Supervision of Foreign Exchange / Securities Markets in India.
Mr. Amitava Guharoy	Vast experience and expertise in strategy and capital allocation, with specialized knowledge as a climate risk professional
Mrs. Alka Arora Misra	Vast experience and expertise in infrastructure, logistics management, Human Resource development and inter-ministerial affairs.

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 & CEO 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 2025-26.

3. AUDIT COMMITTEE:

The Audit Committee functions in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of the Listing Regulations. The Committee reviews the adequacy and effectiveness of the Company's internal control systems, financial reporting process, risk management systems, and other matters within its terms of reference. The Internal Auditor presents periodic reports to the Committee for its review.

During the financial year 2025-26, the Committee met six times. Attendance details of the Committee are as follows:

Name of the Member	Audit Committee Meetings – Committee Meeting Dates						Number of meetings of Audit Committee held during the year	Number of meetings of Audit Committee attended during the year
	28th May, 2025	30th July, 2025	4th November, 2025	29th January, 2026	18th March, 2026	27th March, 2026		
Mr. David Rasquinha – Chairperson	P	P	P	P	P	P	6	6
Mr. Sanjay Joshi – Member	P	P	P	P	P	P	6	6
Mr. Amitava Guharoy – Member	P	P	P	P	P	A	6	5

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee functions in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Listing Regulations. The Committee identifies and recommends suitable candidates for appointment as Directors and Senior Management Personnel, lays down the criteria for determining qualifications, positive attributes and independence of Directors, and recommends the Company's remuneration policy, including the remuneration payable to Directors, Key Managerial Personnel and Senior Management.

During the financial year 2025-26, the Committee met twice. Attendance details of the Committee are as follows:

Name of the Member	Nomination & Remuneration Committee Meetings		Number of meetings of NRC Committee held during the year	Number of meetings of NRC Committee attended during the year
	Committee Meeting Dates			
	28th May, 2025	18th March, 2026		
Mr. Gopalaraman Padmanabhan- Chairperson	P	P	2	2
Mr. David Rasquinha– Member	P	P	2	2
Mrs. Alka Arora Misra– Member	P	P	2	2

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 Section 149(6) of the Companies Act, 2013 and perform the obligations as specified under Regulation 25 of Listing Regulations concerning independence of directors. In the opinion of the Board, the Independent Directors fulfil 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 INR 50,000/- for every meeting of the board, INR 25,000/- for other committees thereof and INR 10,000/- for Stakeholder Relationship Committee attended by them as a member. NEDs may be paid commission up to an aggregate amount not exceeding 5% 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.

The Advisors/Consultants shall be paid fees/compensation of INR 14,00,000/- per month as per the policy on appointment of Non-Executive Directors as Advisors / Retainers / Consultants of the Company.

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 the Executive Chairman – Mr. Rajesh Sharma, Managing Director & CEO – Mr. Indraneel Dutt during the financial year 2025-26 is given hereunder.

Name	Tenure	Salary & Allowances (INR)	Commission (INR)	Contribution to Provident & other funds (INR)	Perquisites (INR)	Total (INR)
Mr. Rajesh Sharma	2025-26	2,98,64,854	4,00,00,000	8,94,660	1,25,900	7,08,85,414
Mr. Indraneel Dutt	2025-26	2,42,78,837	2,00,00,000	23,19,780	53,210	4,66,51,827

The Fees/Compensation including Commission paid to Mr. Dinesh Sharma and Mr. Aankur Patni in their capacity as Advisors, is given hereunder:

Name	Tenure	Fees/ Compensation (INR)	Commis-sion (INR)	Sitting fees (INR)	Perquisites (INR)	Total (INR)	No. of shares
Mr. Dinesh Sharma	2025-26	1,68,00,000	1,50,00,000	3,25,000	1,25,749	3,22,50,749	57,12,710
Mr. Aankur Patni	2025-26	1,68,00,000	1,50,00,000	3,60,000	1,60,410	3,23,20,410	29,52,930

During the year, the Company paid INR 30,45,000/- as sitting fees to the following Non-Executive Directors for attending the Board and Committee Meetings and INR 3,60,00,000/- as Commission. The details are given below

Name of Director	Commission (INR)	Sitting fees (INR)	Total Compensation (INR)	No. of shares held
Mr. M. P. Patni	60,00,000	3,75,000	63,75,000	68,62,924
Mr. David Rasquinha	60,00,000	5,85,000	65,85,000	250
Mr. Sanjay Joshi	60,00,000	6,60,000	66,60,000	1,700
Mr. Gopalaraman Padmanabhan	60,00,000	5,00,000	65,00,000	-
Mr. Amitava Guharoy	60,00,000	4,50,000	64,50,000	-
Mrs. Alka Arora Misra	60,00,000	4,75,000	64,75,000	-

5. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee functions in accordance with Regulation 21 read with Part D of Schedule II of the Listing Regulations. 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.

During the financial year 2025-26, the Committee met three times. Attendance details of the Committee are as follows:

Name of the Member	Risk Management Committee Meetings			Number of meetings of RMC Committee held during the year	Number of meetings of RMC Committee attended during the year
	Committee Meeting Dates				
	27th June, 2025	29th September, 2025	27th March, 2026		
Mr. Gopalaraman Padmanabhan– Chairperson	P	P	P	3	3
Mr. Sanjay Joshi– Member	P	P	P	3	3

Mr. Dinesh Sharma– Member	P	A	A	3	1
Mr. Indraneel Dutt– Member	P	P	P	3	3

6. EMPLOYEE STOCK OPTION COMMITTEE:

The Employee Stock Option Committee (ESOC) of the Company administers the Employee Stock Option Schemes. The Committee was reconstituted on 18th March, 2026. Pursuant to the reconstitution, the Committee comprises Mrs. Alka Arora Misra as Chairperson and Mr. Sanjay Joshi and Mr. David Rasquinha as Members.

7. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee functions in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the Listing Regulations. The Committee reviews and monitors the redressal of members' and investors' grievances and oversees stakeholder-related matters. To facilitate efficient share transfer and prompt grievance resolution, certain powers have been delegated to Ms. Nikisha Solanki, Company Secretary & Compliance Officer and Mr. Vasant Naik, Chief Financial Officer.

The Committee met once during the financial year 2025-26. Attendance details of the Committee are as follows:

Name of the Member	Stakeholders' Relationship Committee Meetings Committee Meeting Dates 18th March, 2026	Number of meetings of SRC Committee held during the year	Number of meetings of SRC Committee attended during the year
Mr. Sanjay Joshi - Chairperson	P	1	1
Mr. Aankur Patni - Member	P	1	1
Mr. David Rasquinha - Member	P	1	1

Investor Complaints

The Company and MUFG Intime India Private Limited (RTA) attend to all the grievances of the Investors promptly on their receipt, whether received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs etc. The status of investor grievances was reported to the Board on periodic basis.

The details of Investors Complaints received and redressed during financial year 2025-26 are as follows:

Number of pending complaints at the beginning of the Financial Year	0
Number of complaints received during the Financial Year	9
Number of complaints resolved during the Financial Year	9
Number of complaints pending at the end of the Financial Year	0
Number of complaints not solved to the satisfaction of shareholders	0

Share Transfer System

All activities relating to the processing of share transfers in physical mode and dematerialisation activities are undertaken by the Company's RTA, the details of which are stated below. The status of share transfers was reported to the Board on a periodic basis.

Sr. No	QUERIES / REQUESTS	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)	4	4
c	Issue of new Drafts against unencashed Drafts/ Recovery Drafts	19	17
d	Non Receipt of warrants (where recon in progress)	0	0
e	Non Receipt of payments (where new Instruments already issued)	0	0
f	Unclaimed and Unpaid amounts transferred to ROC / IEPF	12	8
g	Miscellaneous	49	37
2	Annual Report	0	0

Sr. No	QUERIES / REQUESTS	TOTAL RECEIVED	TOTAL REPLIED
3	Bonus Issue	0	0
4	Change In Name / Status	9	8
5	Communication received through SEBI and other statutory/ regulatory bodies	5	4
6	Conversion / Demerger - Scheme of Arrangement / Exchange/ Merger - Amalgamation of Cos/ Subdivision	0	0
7	Dematerialisation/ Rematerialisation of Securities	3	2
8	Dividend / Interest	0	0
9	Document Registration	37	35
10	Legal Matters	0	0
11	Loss of Securities	162	133
12	Nomination	0	0
13	Tax Exemption	0	0
14	Transfer of Securities	0	0
15	Transmission of Securities	39	33
16	Other Queries	96	84
	TOTAL	**435**	**365**
	Request For		
1	Change of Address	49	38
2	Change in Bank Details	57	47
3	Issue of New Certificates on Split/Consolidation/Renewal	0	0
4	Nomination	39	34
5	Pan Updation	0	0
	TOTAL	**145**	**119**
	GRAND TOTAL :	**580**	**484**

8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee. During the financial year 2025–26, the Committee was reconstituted on 29th January, 2026, with the induction of Mr. Indraneel Dutt as a Member. The Committee met twice during the financial year. The brief terms of reference of the CSR Committee are as under:

a) 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;

b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

c) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the financial year 2025–26, the Committee met twice. Attendance details of the Committee are as follows:

Name of the Member	Corporate Social Responsibility Committee Meetings – Committee Meeting Dates		Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
	27th June, 2025	18th December, 2025		
Mr. Sanjay Joshi - Chairperson	P	P	2	2
Mr. M. P. Patni– Member	A	P	2	1
Mr. Rajesh Sharma – Member	P	P	2	2
Mrs. Alka Arora Misra– Member	P	P	2	2
Mr. Indraneel Dutt– Member	NA	NA	2	0

The Company Secretary of the Company acts as the Secretary to the Committee.

9. **INDEPENDENT DIRECTORS' MEETING**

During the year under review, the Independent Directors' meeting was held on 18th March, 2026 inter alia, to discuss:

a) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

b) Evaluation of the performance of the Chairman of the Company, considering the views of the Executive and Non-Executive Directors;

c) 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 www.ionexchangeglobal.com.

10. **Those Charged with Governance (TCWG)**

In accordance with the National Financial Reporting Authority (NFRA) Circular dated 7th January 2026 and the Standards on Auditing (SAs), the Company has constituted a framework for engagement with the Statutory Auditors through meetings of Those Charged with Governance (TCWG). The TCWG comprises:

1. Members of the Audit Committee of the Company;
2. Whole-time/Executive Director(s) of the Company; and
3. The Nodal Officers, namely the Company Secretary and the Group Chief Financial Officer, who coordinate communication and documentation between the Statutory Auditors and the TCWG.

During the year, a special meeting of the TCWG was convened in accordance with the prescribed framework. The terms of reference of the TCWG were approved and duly recorded in the minutes of the meeting.

11. **ANNUAL GENERAL MEETINGS;**

Location and Time where last three Annual General Meetings were held:

Year	Date	Time	Location	Special Resolution Passed
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
2023-2024	11.09.2024	11:00 am.	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 change in Designation of Mr. Rajesh Sharma (DIN: 00515486) from Chairman & Managing Director to Chairman - Executive Director and remuneration payable to him • 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 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 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

Year	Date	Time	Location	Special Resolution Passed
2023-2024	11.09.2024	11:00 am.	Ion House, Dr. E Moses Road,Mahalaxmi, Mumbai- 400 011	• Appointment of Mr. Amitava Guharoy (DIN:10708866) • as an Independent Director of the Company • Appointment of Mr. Gopalaraman Padmanabhan (DIN: 07130908) as an Independent Director of the Company • Appointment of Mrs. Alka Arora Misra (DIN:08038518) as a Woman Independent Director of the Company • To alter and adopt new set of Memorandum of Association (MOA) of the company as per the Companies Act, 2013 • To alter and adopt new set of Articles of Association (AOA) of the Company as per the Companies Act, 2013 • To approve payment of Commission/Remuneration to Non-Executive Directors
2024-2025	09.09.2025	11:00 am.	Ion House, Dr. E Moses Road, Mahalaxmi, Mumbai-400 011	• 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

12. POSTAL BALLOT

There was no Postal Ballot conducted during the year 2025-26.

13. OTHER DISCLOSURES:

a) 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.

b) 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.

c) With regard to matters related to capital markets, the Company has complied with all requirements of the Listing Regulations 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.

d) Transactions with related parties, as per requirements of IND AS 24, 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 Regulations the Company has formulated a policy on dealing with Related Party Transaction. The policy is available on the website of the Company at https://ionexchangeglobal.com/app/uploads/2025/08/POLICY-ON-RELATED-PARTY-TRANSACTIONS.pdf

e) 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://ionexchangeglobal.com/app/uploads/2025/08/POLICY-FOR-DETERMINING-MATERIAL-SUBSIDIARIES-1.pdf

f) 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.

g) During 2025-2026, the total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to Deloitte Haskins & Sells LLP and all entities in the network firm/network entity of Deloitte Haskins & Sells LLP was INR 85.74 Lacs.

h) The details with respect to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are mentioned in Business Responsibility & Sustainability Reporting section of this Report.

i) The details of loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount are disclosed in the financial statements.

j) The Company has complied with the provisions as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing Regulations

k) As required by Regulation 17(8) of Listing Regulations, the Compliance Certificate on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting has been obtained from Mr. Indraneel Dutt (Managing Director) and Mr. Vasant Naik (Group Chief Financial Officer).

14. 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 Whistle Blower Policy as per Regulation 22 of Listing Regulations. No personnel have been denied access to the Audit Committee. The Whistle blower 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://ionexchangeglobal.com/pdf/ionindia/Whistle%20Blower%20Policy.pdf

15. DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the Listing Regulations, the Company has adopted a dividend distribution policy. The Policy is available on the website of the Company https://ionexchangeglobal.com/app/uploads/2025/08/DIVIDEND-DISTRIBUTION-POLICY-1.pdf

16. MEANS OF COMMUNICATION

As per the requirements of Listing Agreement with the BSE Ltd and National Stock Exchange of India Ltd, 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.ionexchangeglobal.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. The Annual Report of the Company is available in downloadable format on the website of the Company at www.ionexchangeglobal.com and on the websites of the Stock Exchanges.

17. 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. The details of the Suspense Escrow Demat Account are mentioned below:

	Particulars	**Number of Shareholders**	**Number of shares**
Opening Balance	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	5	10,590
Less	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	3	1,760
Less	Number of shareholders to whom shares were transferred from suspense account during the year	3	1,760
Closing Balance	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	5	10,300

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

18. GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting

Date: 11th September, 2026

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 2026-27**

Financial year	1st April to 31st March
Quarter ending June 30, 2026	First week of August, 2026
Quarter ending September 30, 2026	First week of November, 2026
Quarter ending December 31, 2026	First week of February, 2027
Year ending March 31, 2027	Last week of May, 2027

iii) **Record Date for Dividend Entitlement**

The Company has fixed Monday, 31st August, 2026 as the Record Date for the purpose of determining the entitlement of shareholders to receive dividend for the financial year ended 31st March, 2026, if declared at the Annual General Meeting.

iv) **Dividend payment date**

Dividend, if declared shall be paid within 30 days from the date of declaration.

v) **Listing on Stock Exchange**

The Company's equity shares are listed at BSE Limited and National Stock Exchange of India Limited. Annual listing fees for the financial year 2025-26 has been paid to BSE & NSE.

vi) **Stock code and ISIN Number**

BSE Limited – 500214

NSE Limited - IONEXCHANG

ISIN Number - INE570A01022

vii) **Rating Action -** CRISIL A+ / Stable (Reaffirmed)

viii) **Distribution of holdings as on 31st March, 2026**

DESCRIPTION SHARES			NO. OF HOLDERS	%	NO. OF SHARES	%
1	-	500	106620	89.05	8866421	6.05
501	-	1000	6516	5.44	4857950	3.31
1001	-	2000	3100	2.59	4555465	3.11
2001	-	3000	1075	0.90	2705805	1.84
3001	-	4000	533	0.44	1893770	1.29
4001	-	5000	470	0.39	2186205	1.49
5001	-	10000	750	0.63	5442336	3.71
10001	-	999999999	672	0.56	116158638	79.20
TOTAL			**119736**	**100.00**	**146666590**	**100.00**

SHAREHOLDING PATTERN AS ON 31st MARCH, 2026

Category	Holdings as on 31-03-26	%
Promoter & Promoter Group	37434888	25.52
Mutual Funds & UTI	17130198	11.68
Banks, Financial Institutions & Insurance Companies	71100	0.05
FIIs	6786138	4.63
Domestic Companies	10347269	7.05
Public	48114520	32.81
NRIs/OCBs	3046337	2.08
Non Promoter Non Public	23736140	16.18
Total	**146666590**	**100.00**

ix) **Dematerialization of Shares and Liquidity**

The Company's Equity Shares are in compulsory demat i.e. electronic mode and as on 31st March, 2026, 99.08% of the Equity capital were held in dematerialised form.

x) **GDR / ADR / Warrants** - Not applicable as not issued.

xi) **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 No. L-48 & L-49, Verna Industrial Estate, Verna, Salcete, South Goa, Goa - 403722
Membrane Manufacturing	Plot Nos. U 05/4, Plant Phase IV, Verna IDC, Verna, Goa -403 722
SSD manufacturing plant	Village Nikhole, Post- Khanivali, Wada, Thane 421303
Roha - Resin manufacturing plant	Plot No. 18/1, Roha MIDC Area, Dhatav, Roha, District Raigad, Maharashtra – 402 116

xii) **Address for correspondence:**

All investor related queries should be addressed to our Registrar & Share Transfer Agent

MUFG Intime India Private Limited
(Formerly known as Link Intime India Private Limited)
C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai – 400083.
P: +91 2249186000 (Extn:2176)
F: +91 2249186060
E: iepfclaim@in.mpms.mufg.com
W: www.in.mpms.mufg.com

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, 2026, 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, 2025 to 31st March, 2026.

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: 26th May, 2026

INDEPENDENT AUDITOR'S REPORT

To The Members of
Ion Exchange (India) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Ion Exchange (India) Limited (the "Company") which include IEI Shareholding (Staff Welfare) Trusts - (Sixty Trusts) and HMIL Shareholding (Staff Welfare) Trusts — (Seventeen Trusts) ("Trusts"), which comprise the Balance Sheet as at 31st March 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, in which are incorporated the financial statements of the Trusts, for the year ended on that date, audited by the trust auditors (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 reports of the trust auditors on separate financial statements of the trusts referred to in the Other Matters section below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, and its profit and other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility 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 ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the trust auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition – (Engineering Contracts)** (Refer Note 27 and 41 of the Standalone Financial Statements). The Company recognises revenue on the basis of stage of completion, in proportion of the contract costs incurred at reporting date, to the total estimated costs of the contract at completion. There are significant accounting judgements in estimating revenue to be recognised on contracts with customers, including estimation of costs to complete.	Principal audit procedures performed included the following: 1. Understood the process and controls around estimation process and derivation of estimated cost (cost to complete) of engineering contracts. 2. Tested design, implementation and operating effectiveness of internal financial controls addressing this risk. 3. Reviewed the Company's accounting policies with respect to accounting and revenue recognition relating to Engineering Contracts. 4. Obtained the listing of contracts active during the year and selected samples. For selected samples;

<table>
<tr><th>Sr. No.</th><th>Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td></td><td>Determination of total estimated cost involves significant estimates of costs pertaining to materials, sub-contracting and various other overheads. Cost contingencies are included in these estimates to take into account specific risks of uncertainties or disputed claims against the Company, arising within each contract. Accordingly, during the current year, estimated cost to complete for revenue recognition has been evaluated as a key audit matter.</td><td>We read the key contractual terms and milestones as per signed contracts and amendments, as applicable and tested revenue recognized in accordance with Ind AS as follows:
i. Verified the approval of percentage of completion workings as well as approved budgeted cost and traced back the revenue recognition to general ledgers and financial statements.
ii. Tested the Company's forecast of cost to completion, through comparison of costs incurred with project budgets, and executed purchase orders and agreements. Identified variations and tested significant variations resulting into re-estimating the remaining costs to complete the contract.
iii. Inquired with the project and commercial departments about modifications to cost to complete and challenged rationale for modification.
iv. Verified approvals for changes in estimated project costs during the year, if any, and resultant margin revisions.
v. Compared, on a sample basis, revenue recorded during the year with the underlying contracts, billing milestone, invoices raised on customers. Also, determination of onerous contracts, contract assets and unearned revenue for recognition in accordance with the Company's revenue recognition policies.
vi. 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</td></tr>
<tr><td>2</td><td>Valuation of investments in subsidiaries of the Company.
(Refer Note 7 and 45 of the standalone financial statements).
Certain subsidiaries of the Company have accumulated losses and net worth that is eroded, which could be an indication of potential impairment to the carrying amount of these investments.
For the purpose of fair valuation of these investments, the management prepares forecast of revenue based on business plans, which are based on various assumptions including growth rate and discount factor. Management uses an independent external valuation expert to determine the fair value of these investments.
We considered this as a Key Audit Matter due to judgement and estimates by the Management required in preparation of future cash flows and the underlying assumptions basis which the recoverable amount of the investments in subsidiaries are arrived at as per requirements of Ind AS 36 - "Impairment of Assets"</td><td>Principal audit procedures performed included the following:
1. Understood the processes and controls around management's impairment assessment of exposure in its subsidiaries.
2. Tested the design, implementation, and operating effectiveness of key internal controls over impairment assessment of investments in subsidiaries.
3. Compared the carrying values of the Company's investment in subsidiaries with their respective recoverable values and the consequent allowance for impairment if any.
4. Assessed the reasonability of management's assumptions used to project the cashflows for the purpose of analysing the recoverability of investments in its subsidiaries.
5. Involved internal valuation expert to assist in evaluating the key assumptions of the valuations for certain subsidiaries.
6. Tested 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. and observed the forecasts based on historical performance.
7. Performing sensitivity analysis around the valuation assumptions.</td></tr>
</table>

Sr. No.	Key Audit Matter	Auditor's Response
		8. Tested the arithmetical accuracy of the computation of recoverable amounts. 9. 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. 10. Evaluated the competence, capability and objectivity of the independent external valuation expert engaged by the Company. 11. Tested the related disclosure in Note 7 of the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report and Management Discussion and Analysis Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The said reports are 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, compare with the financial statements of the trusts, audited by the trust auditors of the IEIL Shareholdings (Staff Welfare) Trust and HMIL Shareholding (Staff Welfare) trust, to the extent it relates to these trusts, in doing so, place reliance on the work of the trust auditors and, consider whether the other information, so far as it relates to the Trusts is traced from their financial statements audited by the trust auditors is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the report mentioned above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is 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 financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 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, 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 financial controls 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 standalone 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 information of the Company and its trusts to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the standalone financial statements of which we are the independent auditors. For the other entities or business activities included in the standalone financial statements, which have been audited by the trust auditors, such trust auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial controls 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 Matters

We did not audit the financial statements of seventy seven trusts included in the standalone financial statements of the Company whose financial statements reflect total assets of Rs.5,257.52 lacs as at 31st March 2026 and total revenue of Rs. 467.90 lacs for the year ended on that date, as considered in the standalone financial statements. The financial statements of these trusts have been audited by the trust 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 these Trusts and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid trusts, is based solely on the report of such trust auditors.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the trust auditors on the separate financial statements of the Seventy Seven Trusts, referred to in the Other Matters section above 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 the reports of the trust auditors, except for not complying with the requirements of audit trail as stated in (i)(vi) below.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

    f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

    g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to standalone financial statements.

    h) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

    i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 50 to the standalone financial statements;

        ii. 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.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 56(iv) to the 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.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 56(v) to the 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) 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 (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

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. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended 31st March, 2026, which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems except for impact, if any, of inadequate monitoring of privileged user activity during and post system migration. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Pallavi Sharma
(Partner)
Membership No. 113861
UDIN: 26113861XUPZEJ1352

Place: Mumbai
Date: 26th May, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to standalone financial statements of Ion Exchange (India) Limited (the "Company") as at 31st March, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone 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". 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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone 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 standalone financial statements was 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone 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 control with reference to standalone financial statements includes 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 standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March, 2026, based on the criteria for internal financial control with reference to standalone financial statements 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.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Pallavi Sharma
(Partner)
Membership No. 113861
UDIN: 26113861XUPZEJ1352

Place: Mumbai
Date: 26th May, 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that –

i. a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and capital work-in-progress.

B. The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a program of verification of Property, Plant and Equipment, so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale and lease deed /sale certificate / conveyance deed, provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

Description of property	As at the 31st of March, 2026 (Rs. in lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
	Gross carrying value				
Free hold Land – Agriculture Land	18.44	Feroz Alpaiwalla, MD Dharmadhikari and N M Ranadive	Ex-Director, Ex-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	8.93	State Industrial Promotion Corporation of Tamil Nadu (Allotment of Property)	NA	Since March 1984	Title deeds are awaited from regulatory authorities

Immovable properties of land and buildings whose title deeds have been pledged as security for loans, are held in the name of the Company based on the confirmations directly received by us from lenders

d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in- transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.

b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements (comprising stock statements, book debt statements and statements on ageing analysis of the debtors / other receivable) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

iii. The Company has neither made any investments in, nor provided any securities or granted advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

a) The Company has provided loans during the year as detailed in Note 43 to the financial statements, and details of which are given below:

i) The details are as under:

	Loans (in lacs)*	Guarantees (in lacs)
Aggregate amount granted / provided during the year:		
- Subsidiaries	7,868.75	-
Balance outstanding as at 31st March, 2026 in respect of above cases*:		
- Subsidiaries	7,141.33	14,158.33
- Associates	-	1,100.00
- Others	-	38.88

* The amounts reported are at gross amounts, without considering provisions made.

ii) The Company has not provided guarantees, securities or granted loans and advances in the nature of loans to any other parties during the year.

b) The terms and conditions of the grant of all the above-mentioned loans given during the year are, in our opinion, are not prejudicial to the Company's interest.

c) The Company has granted loans which are payable on demand. During the year, loans which has been demanded by the Company have been repaid by the subsidiary. Considering that the repayment is in lines with the loan demanded, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause 3(iii)(f) below).

d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted, there is no overdue amount remaining outstanding as at the balance sheet date.

e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

f) The Company has granted Loans which are repayable on demand details of which are given below:

Particulars	Related parties (subsidiaries)* Amount in Rs. Lacs
Aggregate of loans - Repayable on demand	7,141.33
Total	7,141.33
Percentage of loans to the total loan	100%

* The amounts reported are at gross amounts, without considering provisions made

iv. Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company, to the extent applicable. Maintenance of cost records is not applicable for Consumer Products segment of the business. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

a) Undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, Cess, and other material statutory dues applicable to the Company, have been regularly deposited by it with the appropriate authorities. We have been informed that the provisions of Sales Tax, Value Added Tax, Service Tax, duty of Excise are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employee's State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at 31st March, 2026 for a period of more than six months from the date they became payable.

b) Details of Statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2026 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Unpaid 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	Joint Commissioner Appeals
			1995-96	
			2009-10	
		33.96	2006-07	Assistant Commissioner Appeals
			2007-08	
			2013-14	
		44.06	2008-09	Deputy Commissioner of Commercial Tax
			2010-11	
			2011-12	
		4.20	2008-09	Additional Commissioner of Commercial Taxes
		26.84	2010-11	Sales Tax Tribunal
		166.19	2010-11	Objection Hearing Authority
		62.48	2010-11	Commercial Tax Appeals
		3.15	2010-11	Deputy Commissioner of Sales Tax
		3.29	2014-15	Deputy Commissioner Appeals
		30.73	2016-17	Sales Tax Officer
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 Appeal
		1.79	2020-21	Joint Commissioner Appeals
Finance Act, 1994 - Service Tax	Disallowance of service tax taken	5.61	2006-09 & 2011-12	Additional Commissioner of Central Excise
		170.64	2007-13	Assistant Commissioner of CGST Appeals
		54.80	2016-17 & 2017-18	Deputy Commissioner of CGST Appeals
		481.36	2020-21	CESTAT, Appeals

Name of the Statute	Nature of the Dues	Unpaid Amount (Rs in Lacs)	Period to which the amount relates	Forum where dispute is pending
Goods and Services Tax Act	Goods and Services Tax (including interest and penalty if applicable)	25.29	2017-21	Deputy Commissioner Appeals
		106.56	2017-18	Assistant Commissioner Appeals
		24.16	2018-19 & 2019-20	Joint Commissioner Appeals
		297.61	2018-23	Additional Commissioner Mumbai
		870.49	2020-21	Joint Commissioner, CGST
Income Tax Act, 1961	Income Tax demand	9.41	2015-16	Commissioner of Income-tax (Appeals)
			2016-17	
		164.91	2012-13	Deputy Commissioner of Income Tax
			2018-19	
			2019-20	
			2023-24	

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries and associate companies.

x. a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

b) During the year the Company has not made any of the preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi. a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports issued to the Company during the year till the date of the audit report and covering period up to 31st March, 2026

xv. In our opinion during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

According to the information and explanations given to us, the Group has more than one Core Investment Company (CIC) as part of the group. There are two CIC forming part of the group.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that 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. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring transfer to a Fund specified in Schedule VII to the Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Pallavi Sharma
(Partner)
Membership No. 113861
UDIN: 26113861XUPZEJ1352

Place: Mumbai
Date: 26th May, 2026

STANDALONE BALANCE SHEET as at 31st March 2026

	Notes	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	58,505.53	24,141.28
(b) Right-of-use assets	3	4,276.80	3,735.95
(c) Capital work-in-progress	4	17,469.91	31,695.32
(d) Other intangible assets	5	906.36	1,104.23
(e) Intangible assets under development	6	7.70	543.08
(f) Financial assets			
(i) Investments	7	8,687.60	8,554.09
(ii) Trade receivables	8	28.27	72.26
(iii) Loans	9	5,655.69	6,181.48
(iv) Other financial assets	10	1,193.76	910.73
(g) Deferred tax assets (Net)	11	1,399.58	732.00
(h) Other non current assets	12	3,767.12	4,686.87
Total non-current assets		**101,898.32**	**82,357.29**
Current assets			
(a) Inventories	13	38,556.06	24,103.84
(b) Financial assets			
(i) Investments	14	60.42	40.85
(ii) Trade receivables	8	107,253.49	109,883.70
(iii) Cash and cash equivalents	15	14,113.70	11,581.46
(iv) Bank balances other than (iii) above	16	12,998.64	30,860.92
(v) Loans	9	988.56	1,223.16
(vi) Other financial assets	10	540.80	1,072.86
(c) Other current assets	12	49,622.67	28,011.76
Total current assets		**224,134.34**	**206,778.55**
Total assets		**326,032.66**	**289,135.84**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	1,466.67	1,466.67
(b) Other equity	18	137,497.54	125,564.19
Total equity		**138,964.21**	**127,030.86**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	30,819.62	19,795.45
(ii) Lease Liabilities		1,595.88	1,249.61
(iii) Other financial liabilities	20	1,246.03	1,336.59
(b) Provisions	21	2,629.97	1,729.96
Total non-current liabilities		**36,291.50**	**24,111.61**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	7,603.72	2,895.02
(ii) Lease Liabilities		968.66	462.37
(iii) Trade payables	23		
- Total outstanding dues of micro and small enterprises		12,171.65	5,900.85
- Total outstanding dues of creditors other than micro and small enterprises		72,506.51	67,563.90
(iv) Other financial liabilities	24	8,170.67	8,908.64
(b) Other current liabilities	25	46,438.47	50,711.94
(c) Provisions	21	2,231.71	679.95
(d) Current Tax Liabilities (Net)	26	685.56	870.70
Total current liabilities		**150,776.95**	**137,993.37**
Total liabilities		**187,068.45**	**162,104.98**
Total equity and liabilities		**326,032.66**	**289,135.84**
Material accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

PALLAVI SHARMA
Partner
Membership No.: 113861

RAJESH SHARMA
Executive Chairman
DIN - 00515486

INDRANEEL DUTT
Managing Director & CEO
DIN - 01942447

M. P. PATNI
Director
DIN - 00515553

NIKISHA SOLANKI
Company Secretary
Membership No.: A50894

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 26th May 2026

Place : Mumbai
Date : 26th May 2026

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2026

	Notes	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Income			
Revenue from operations	27	267,890.54	254,006.25
Other income	28	9,494.63	5,114.74
Total Income (I)		**277,385.17**	**259,120.99**
Expenses			
Cost of materials consumed	29	170,034.26	154,183.11
Purchase of stock-in-trade	30	14,623.87	10,781.12
Changes in inventories of finished goods, stock-in-trade and work-in-progress	31	(9,205.99)	(1,521.54)
Employee benefits expense	32	33,155.23	27,477.81
Finance costs	33	2,054.06	838.46
Depreciation and amortization expense	34	5,758.37	3,999.23
Other expenses	35	40,849.42	34,560.85
Total expenses (II)		**257,269.22**	**230,319.04**
Profit before exceptional item and tax (I - II)		**20,115.95**	**28,801.95**
Exceptional item			
Less: Impact of Labour Code		1,454.41	-
Profit before tax		**18,661.54**	**28,801.95**
Tax expense	36		
Current tax		5,470.92	7,300.24
Deferred tax (credit) / charge	11	(647.30)	53.44
Total tax expense		**4,823.62**	**7,353.68**
Profit after tax (III)		**13,837.92**	**21,448.27**
Other comprehensive income	37		
Items that will not be reclassified to profit or loss			
(a) Remeasurement benefit of defined benefit plans		(80.89)	(11.44)
(b) Income tax expense on remeasurement benefit of defined benefit plans		20.28	2.88
Other comprehensive income (IV)		**(60.61)**	**(8.56)**
Total comprehensive income (III + IV)		**13,777.31**	**21,439.71**
Earnings per equity share: [(Nominal value of shares INR 1)]	38		
Basic (in INR)		11.257	17.447
Diluted (in INR)		11.257	17.447
Material accounting policies	1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

PALLAVI SHARMA
Partner
Membership No.: 113861

RAJESH SHARMA
Executive Chairman
DIN - 00515486

INDRANEEL DUTT
Managing Director & CEO
DIN - 01942447

M. P. PATNI
Director
DIN - 00515553

NIKISHA SOLANKI
Company Secretary
Membership No.: A50894

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 26th May 2026

Place : Mumbai
Date : 26th May 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY for the year ended 31st March 2026

A. Equity share capital

	As at 31st March 2026		As at 31st March 2025	
	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	146,666,590	1,466.67	146,666,590	1,466.67
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**	**146,666,590**	**1,466.67**

B. Other equity (Refer note 18)

	Reserves and Surplus				Treasury Shares	Total other equity
	Security premium account	Special reserve	General reserve	Retained earnings		
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
Balance as at 1st April 2024	**8,276.09**	**16.00**	**2,644.66**	**97,844.33**	**(2,812.64)**	**105,968.44**
Profit for the year (a)	-	-	-	21,448.27	-	21,448.27
Other Comprehensive Income (b)	-	-	-	(8.56)	-	(8.56)
Total comprehensive income for the year (a+b)	-	-	-	21,439.71	-	21,439.71
Dividend paid	-	-	-	(1,843.96)	-	(1,843.96)
Balance as at 31st March 2025	**8,276.09**	**16.00**	**2,644.66**	**117,440.08**	**(2,812.64)**	**125,564.19**
Balance as at 1st April 2025	**8,276.09**	**16.00**	**2,644.66**	**117,440.08**	**(2,812.64)**	**125,564.19**
Profit for the year (c)	-	-	-	13,837.92	-	13,837.92
Other Comprehensive Income (d)	-	-	-	(60.61)	-	(60.61)
Total comprehensive income for the year (c+d)	-	-	-	13,777.31	-	13,777.31
Dividend paid	-	-	-	(1,843.96)	-	(1,843.96)
Balance as at 31st March 2026	**8,276.09**	**16.00**	**2,644.66**	**129,373.43**	**(2,812.64)**	**137,497.54**

As per our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

PALLAVI SHARMA
Partner
Membership No.: 113861

Place : Mumbai
Date : 26th May 2026

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

RAJESH SHARMA
Executive Chairman
DIN - 00515486

INDRANEEL DUTT
Managing Director & CEO
DIN - 01942447

M. P. PATNI
Director
DIN - 00515553

NIKISHA SOLANKI
Company Secretary
Membership No.: A50894

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 26th May 2026

STANDALONE CASH FLOW STATEMENT for the year ended 31st March 2026

		Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
A. Cash flow from operating activities:			
Profit before tax		**18,661.54**	**28,801.95**
Adjustment to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense		5,758.37	3,999.23
Profit on property, plant and equipment sold / discarded (Net)		(159.48)	(48.43)
Finance cost		2,054.06	838.46
Dividend Income		(212.58)	(119.47)
Interest Income		(2,811.56)	(4,262.49)
Expected credit loss on financial assets		1,518.73	0.86
Change in fair value of investments		(19.57)	12.76
Guarantee commission		(133.51)	(131.11)
Unrealised foreign exchange loss / (gain) (net)		(1,872.82)	91.25
Operating profit before working capital changes		**22,783.18**	**29,183.01**
Movements in working capital:			
(Increase) / Decrease in inventories		(14,452.22)	(5,238.98)
(Increase) / Decrease in trade receivables		3,766.96	(20,270.35)
(Increase) / Decrease in other assets		(21,702.20)	(9,321.92)
(Increase) / Decrease in other financial assets		(333.19)	(23.13)
(Decrease) / Increase in trade payables		10,703.74	8,129.79
(Decrease) / Increase in other financial liabilities		1,219.83	780.32
(Decrease) / Increase in other current liabilities		(4,273.47)	6,882.27
(Decrease) / Increase in provisions		2,370.88	(633.92)
Cash generated from operations		**83.51**	**9,487.09**
Taxes paid		(5,656.06)	(6,869.56)
Net cash generated from / (used in) operating activities	**(A)**	**(5,572.55)**	**2,617.53**
B. Cash flow from investing activities:			
Purchase of property, plant and equipment, capital work in progress and Intangible assets		(25,151.73)	(31,868.88)
Proceeds from sale of property, plant and equipment		285.70	170.87
Deferred payment on acquisition of subsidiary		(201.48)	(178.66)
Loans given (net)		(229.38)	(1,347.27)
Bank deposit made during the year (with maturity more than three months)		(47,829.99)	(101,567.99)
Bank deposit matured during the year (with maturity more than three months)		65,696.89	113,177.70
Dividend Received		212.58	119.47
Interest Received		3,393.78	4,595.90
Net cash used in investing activities	**(B)**	**(3,823.63)**	**(16,898.86)**
C. Cash flow from financing activities:			
Repayment of borrowings - Non Current (including Current Maturities)		(412.12)	(340.89)
Proceeds from borrowings - Non Current (including Current Maturities)		15,100.00	17,551.00
Borrowings - Current (Net)		1,044.99	757.50
Payment towards lease liabilities		(917.35)	(626.02)
Dividend paid		(1,843.96)	(1,843.96)
Finance cost		(1,851.85)	(669.95)
Net cash generated in financing activities	**(C)**	**11,119.71**	**14,827.68**
Net Increase in cash and cash equivalents	**(A)+(B)+(C)**	**1,723.53**	**546.35**
Effect of exchange difference on cash and cash equivalent held in foreign currency		**808.71**	**(3.14)**
Cash and cash equivalents as at the beginning of the year		**11,581.46**	**11,038.25**
Cash and cash equivalents as at the end of the year		**14,113.70**	**11,581.46**

STANDALONE CASH FLOW STATEMENT for the year ended 31st March 2026 (Contd.)

Notes:

1 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.

2 Purchase of property, plant and equipment, capital work in progress and intangible assets represents additions to property, plant and equipment, and other intangible assets adjusted for movement of capital-work-in-progress, capital advances and capital creditors during the year for property, plant and equipment.

3. Changes in liabilities arising from financing activities

Particulars	As at 1st April 2025 INR in Lacs	2025-26 Net Cash inflow INR in Lacs	As at 31st March 2026 INR in Lacs
Borrowings (Non-Current and Current)	22,690.47	15,732.87	38,423.34
	22,690.47	**15,732.87**	**38,423.34**

Particulars	As at 1st April 2024 INR in Lacs	2024-25 Net Cash inflow INR in Lacs	As at 31st March 2025 INR in Lacs
Borrowings (Non-Current and Current)	4,722.86	17,967.61	22,690.47
	4,722.86	**17,967.61**	**22,690.47**

As per our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

PALLAVI SHARMA
Partner
Membership No.: 113861

RAJESH SHARMA
Executive Chairman
DIN - 00515486

INDRANEEL DUTT
Managing Director & CEO
DIN - 01942447

M. P. PATNI
Director
DIN - 00515553

Place : Mumbai
Date : 26th May 2026

NIKISHA SOLANKI
Company Secretary
Membership No.: A50894

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 26th May 2026

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026

Company Overview

Ion Exchange (India) Limited (the 'company') offers a 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 26th May 2026.

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 HMIL 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 to the carrying amounts of assets and liabilities within the next financial year.

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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (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 other than trade receivables 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 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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

1. Material accounting policies (contd…)

1.14 Financial instruments (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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (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

(i) Provision for current taxation has been made in accordance with the Indian Income tax laws prevailing for the relevant assessment years.

(ii) 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.

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

1. Material accounting policies (contd…)

1.19 Provisions and contingent liabilities (contd...)

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.

For calculating the weighted average number of equity shares outstanding, 23,689,390 (2024-25: 23,689,390) equity shares and 46,750 (2024-25: 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 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 Executive Chairman / Managing Director & CEO 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 Leases

Where 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.

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 rate implicit in the lease. If this rate cannot be readily determined then the company's incremental borrowing rate is used. 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

1. Material accounting policies (contd…)

1.23 Leases (contd…)

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.

1.26 Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") has notified amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. This notification has resulted into amendment in the following existing accounting standard.

<u>Ind AS 1- Presentation of Financial Statements:</u>

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.

<u>Ind AS 7- Statement of Cash Flows:</u>

The amendments requires to inform users of the financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates.

<u>Ind AS 107- Financial Instruments Disclosures:</u>

The amendments to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

<u>Ind AS 12 – Income Taxes:</u>

The amendments to the Pillar Model Rules introduce a temporary mandatory exemption from deferred tax accounting for top-up taxes and require companies to disclose their use of this exemption. This relief takes effect immediately and applies retrospectively. In addition; the amendments mandate new disclosures to compensate for any potential loss of information resulting from the exemption.

<u>Ind AS 21 - The Effects of Changes in Foreign Exchange Rates:</u>

The amendments provide guidance on determining exchangeability between currencies and estimating spot rates when a currency is not exchangeable.

The company has evaluated the amendments and there is no material impact on its Financial Statement.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (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 2025	367.79	377.50	6,603.09	5,269.58	21,446.86	1,251.50	631.82	3,485.83	39,433.97
Additions during the year	-	461.37	486.57	10,124.75	26,810.44	190.55	394.57	448.31	38,916.56
Less : Disposal during the year	-	-	144.46	-	5.91	3.65	-	17.72	171.74
As at 31st March 2026	**367.79**	**838.87**	**6,945.20**	**15,394.33**	**48,251.39**	**1,438.40**	**1,026.39**	**3,916.42**	**78,178.79**
Depreciation / Amortisation									
As at 1st April 2025	-	130.98	928.60	1,282.04	9,882.90	586.72	395.62	2,085.83	15,292.69
Depreciation during the year	-	62.63	195.33	363.04	3,047.12	116.61	139.67	501.69	4,426.09
Less : Depreciation on disposal during the year	-	-	22.75	-	2.78	3.65	-	16.34	45.52
As at 31st March 2026	**-**	**193.61**	**1,101.18**	**1,645.08**	**12,927.24**	**699.68**	**535.29**	**2,571.18**	**19,673.26**
Net carrying value as at 31st March 2026	**367.79**	**645.26**	**5,844.02**	**13,749.25**	**35,324.15**	**738.72**	**491.10**	**1,345.24**	**58,505.53**
Gross block									
As at 1st April 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
Additions during the year	-	-	2,041.53	358.46	2,236.52	125.26	74.11	749.45	5,585.33
Less : Disposal during the year	-	6.51	23.64	23.46	168.50	8.92	4.29	58.51	293.83
As at 31st March 2025	**367.79**	**377.50**	**6,603.09**	**5,269.58**	**21,446.86**	**1,251.50**	**631.82**	**3,485.83**	**39,433.97**
Depreciation / Amortisation									
As at 1st April 2024	-	102.73	764.60	1,072.19	8,187.88	489.23	340.38	1,692.21	12,649.22
Depreciation during the year	-	34.76	168.14	214.88	1,819.80	106.04	59.53	451.50	2,854.65
Less : Depreciation on disposal during the year	-	6.51	4.14	5.03	124.78	8.55	4.29	57.88	211.18
As at 31st March 2025	**-**	**130.98**	**928.60**	**1,282.04**	**9,882.90**	**586.72**	**395.62**	**2,085.83**	**15,292.69**
Net carrying value as at 31st March 2025	**367.79**	**246.52**	**5,674.49**	**3,987.54**	**11,563.96**	**664.78**	**236.20**	**1,400.00**	**24,141.28**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (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 names of the nominees of the company.

Deemed gross book value INR 27.44 Lacs (31st March 2025: INR 27.44 Lacs)

b) Buildings on freehold land includes residential flats, the cost of which includes:

- INR 250 (31st March 2025: 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 2025: 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 2025: INR 41.15 Lacs)

Net book value INR 30.77 Lacs (31st March 2025: INR 31.81 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 2025: INR Nil)

Net book value INR Nil (31st March 2025: INR Nil)

e) Buildings on freehold land includes office premises given on operating lease :

Deemed gross book value INR 126.31 Lacs (31st March 2025: INR 126.31 Lacs)

Accumulated depreciation INR 47.58 Lacs (31st March 2025: INR 42.69 Lacs)

Depreciation for the year INR 4.89 Lacs (2024-25: INR 4.93 Lacs)

Net book value INR 78.73 Lacs (31st March 2025: INR 83.62 Lacs)

f) Addition to Property, plant and equipment includes amount of INR 85.83 Lacs (2024-25: INR 153.08 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 19 and note 22.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

3. Right-of-use assets

INR in Lacs

	Land	Building (Refer note a and note c)	Plant and machinery (Refer note a)	Vehicles	Office equipments (Refer note a)	Total
Gross block						
As at 1st April 2025	1,874.86	2,181.84	3,153.56	9.18	208.73	7,428.17
Additions during the year	-	1,574.56	-	-	-	1,574.56
Less : Disposal during the year	-	412.11	-	-	-	412.11
As at 31st March 2026	**1,874.86**	**3,344.29**	**3,153.56**	**9.18**	**208.73**	**8,590.62**
Depreciation / Amortisation						
As at 1st April 2025	163.96	776.98	2,561.07	5.08	185.13	3,692.22
Depreciation during the year	45.25	694.28	288.99	1.15	-	1,029.67
Less : Depreciation on disposal during the year	-	408.07	-	-	-	408.07
As at 31st March 2026	**209.21**	**1,063.19**	**2,850.06**	**6.23**	**185.13**	**4,313.82**
Net carrying value as at 31st March 2026	**1,665.65**	**2,281.10**	**303.50**	**2.95**	**23.60**	**4,276.80**
Gross block						
As at 1st April 2024	1,835.07	1,290.98	3,153.56	9.18	208.73	6,497.52
Additions during the year	39.79	979.01	-	-	-	1,018.80
Less : Disposal during the year	-	88.15	-	-	-	88.15
As at 31st March 2025	**1,874.86**	**2,181.84**	**3,153.56**	**9.18**	**208.73**	**7,428.17**
Depreciation / Amortisation						
As at 1st April 2024	129.86	398.57	2,209.12	3.93	185.13	2,926.61
Depreciation during the year	34.10	466.56	351.95	1.15	-	853.76
Less : Depreciation on disposal during the year	-	88.15	-	-	-	88.15
As at 31st March 2025	**163.96**	**776.98**	**2,561.07**	**5.08**	**185.13**	**3,692.22**
Net carrying value as at 31st March 2025	**1,710.90**	**1,404.86**	**592.49**	**4.10**	**23.60**	**3,735.95**

Notes

a) Finance lease obligations are secured by hypothecation of underlying plant and machinery and office equipment taken on lease. Lease obligations are discharged by monthly / quarterly lease rental payments. The lease terms are for 2 to 6 years.

b) All the leases are registered in the name of the company.

c) Refer note 48 related to Right of use assets and lease liabilities.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

4. Capital work-in-progress

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
As at 1st April	31,695.32	6,072.51
Additions during the year	24,553.70	29,535.25
Less : Capitalisation / deductions during the year *	38,779.11	3,912.44
As at 31st March	**17,469.91**	**31,695.32**

* includes an amount of INR 766.31 Lacs transferred in the year 2024-2025 to capital advance relating to Land

Capital work in progress ageing schedule

As at 31st March 2026

	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	7,360.70	9,439.11	479.97	190.13	17,469.91
Projects temporarily suspended	-	-	-	-	-
	7,360.70	**9,439.11**	**479.97**	**190.13**	**17,469.91**

As at 31st March 2025

	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	27,981.08	3,374.15	302.57	37.52	31,695.32
Projects temporarily suspended	-	-	-	-	-
	27,981.08	**3,374.15**	**302.57**	**37.52**	**31,695.32**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

5. Other intangible assets

INR in Lacs

	Computer Software	Technology/License	Total
Gross block			
As at 1st April 2025	979.98	864.02	1,844.00
Additions during the year	104.74	-	104.74
Less: Disposal during the year	-	-	-
As at 31st March 2026	**1,084.72**	**864.02**	**1,948.74**
Amortisation			
As at 1st April 2025	566.97	172.80	739.77
Amortisation during the year	129.68	172.93	302.61
Less: Eliminated on disposals during the year	-	-	-
As at 31st March 2026	**696.65**	**345.73**	**1,042.38**
Net carrying value as at 31st March 2026	**388.07**	**518.29**	**906.36**
Gross block			
As at 1st April 2024	836.76	864.02	1,700.78
Additions during the year	145.50	-	145.50
Less: Disposal during the year	2.28	-	2.28
As at 31st March 2025	**979.98**	**864.02**	**1,844.00**
Amortisation			
As at 1st April 2024	451.23	-	451.23
Amortisation during the year	118.02	172.80	290.82
Less: Eliminated on disposals during the year	2.28	-	2.28
As at 31st March 2025	**566.97**	**172.80**	**739.77**
Net carrying value as at 31st March 2025	**413.01**	**691.22**	**1,104.23**

6. Intangible assets under development

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
As at 1st April	543.08	-
Additions during the year	422.73	543.08
Less : Capitalisation / deductions during the year	958.11	-
As at 31st March	**7.70**	**543.08**

Intangible assets under development ageing schedule

As at 31st March 2026

	Amount in intangible assets under development 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	1.80	5.90	-	-	7.70
Projects temporarily suspended	-	-	-	-	-
	1.80	**5.90**	**-**	**-**	**7.70**

As at 31st March 2025

	Amount in intangible assets under development 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	543.08	-	-	-	543.08
Projects temporarily suspended	-	-	-	-	-
	543.08	**-**	**-**	**-**	**543.08**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

7. Non-current investments

		As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Measured at cost in equity shares of subsidiaries			
Unquoted, fully paid-up			
1,760,000 (31st March 2025: 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 2025: 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 2025: 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 2025: 2,603,211) equity shares of SGD 1 each, fully paid-up in Ion Exchange Asia Pacific Pte. Ltd.		1,193.90	1,166.94
700,000 (31st March 2025: 700,000) equity shares of USD 1 each, fully paid-up in Ion Exchange LLC		372.01	372.01
153,000 (31st March 2025: 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 2025: 55,862) equity shares of BDT 100 each, fully paid-up in Ion Exchange Environment Management (BD) Limited		61.00	56.84
27,469 (31st March 2025: 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 2025: 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 2025: 1,800) equity shares of ZAR 1 each, fully paid-up in Ion Exchange Safic Pty Ltd.		371.86	362.87
1,200 (31st March 2025: 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 2025: 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 2025: 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 2025: 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 2025: 1,111,500) equity shares of Euro 1 each, fully paid-up in Mapril - Produtos Químicos e Máquinas Para A Industria, LDA		2,475.26	2,392.86
	(A)	**6,936.80**	**6,814.29**
Measured at cost in equity share of associates			
Unquoted, fully paid-up			
460,000 (31st March 2025: 460,000) equity shares of INR 10 each, fully paid-up in Aquanomics Systems Limited		156.00	145.00
	(B)	**156.00**	**145.00**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

7. Non-current investments (contd...)

		As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Measured at fair value through profit and loss in equity shares of others			
Unquoted, fully paid-up			
6,000 (31st March 2025: 6,000) equity shares of INR 10 each, fully paid-up in IEK Plastics Limited		-	-
113 (31st March 2025: 113) equity shares of INR 10 each, fully paid-up in Patancheru Enviro-tech Limited		0.01	0.01
10,500 (31st March 2025: 10,500) equity shares of INR 10 each, fully paid-up in Bharuch Enviro Infrastructure Limited		1.05	1.05
352,500 (31st March 2025: 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 2025: 121,518) equity shares of INR 10 each, fully paid-up in GPCL Consulting Services Limited		49.95	49.95
1,000 (31st March 2025: 1,000) equity shares of INR 10 each, fully paid-up in Ion Foundation		0.10	0.10
7,143 (31st March 2025: 7,143) equity shares of INR 10 each, fully paid-up in Water Quality India Association		0.71	0.71
22,000 (31st March 2025: 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 2025: 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 2025: 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 2025: 750) equity shares of INR 10 each, fully paid-up in Process Automation Engineering Limited		0.00	0.00
	(C)	**94.30**	**94.30**
Measured at amortised cost in preference shares of others			
Unquoted, fully paid-up			
75,000 (31st March 2025: 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 2025: 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)**	**8,687.60**	**8,554.09**
Aggregate amount of quoted Investments		-	-
Aggregate amount of unquoted Investments		8,687.60	8,554.09
Aggregate amount of impairment in value of investments		2.45	2.45

Note : 11,000 equity shares of Haldia Water Services Pvt. Ltd. pledged to the NBFC satisfied during the year 2024-25

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NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

8. Trade receivables

	Non-current		Current	
	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Trade receivables				
(a) Unsecured, considered good	28.27	72.26	110,529.00	112,678.21
(b) Unsecured, have significant increase in credit risk	-	-	-	-
	28.27	72.26	110,529.00	112,678.21
Less: Loss allowances	-	-	3,275.51	2,794.51
	28.27	**72.26**	**107,253.49**	**109,883.70**

Note : Refer note 43 for trade receivables from related parties.

Trade receivables ageing schedule

As at 31 March 2026

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
Undisputed trade receivables - considered good	66,919.75	21,634.25	6,691.68	8,560.35	3,543.27	3,179.70	110,529.00
Undisputed trade receivables - have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	0.26	-	28.01	28.27
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	66,919.75	21,634.25	6,691.68	8,560.61	3,543.27	3,207.71	110,557.27
Less: Loss allowances							3,275.51
Total							**107,281.76**

As at 31 March 2025

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
Undisputed trade receivables - considered good	70,850.37	24,001.44	7,800.06	5,091.42	1,402.89	3,532.03	112,678.21
Undisputed trade receivables - have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	0.26	-	0.25	71.75	72.26
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	70,850.37	24,001.44	7,800.32	5,091.42	1,403.14	3,603.78	112,750.47
Less: Loss allowances							2,794.51
Total							**109,955.96**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

9. Loans

	Non-current		Current	
	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Measured at amortised cost				
Loans and advances to related parties (Refer note 43)				
(a) Unsecured, considered good	6,309.69	6,181.48	831.64	1,189.23
(b) Unsecured, credit impaired	-	-	-	-
	6,309.69	6,181.48	831.64	1,189.23
Less: Loss allowances	654.00	-	-	-
(A)	5,655.69	6,181.48	831.64	1,189.23
Loans and advance to employees (B)	-	-	156.92	33.93
Others - Unsecured, credit impaired				
- Other loans and advances	55.07	55.07	-	-
	55.07	55.07	-	-
Less: Loss allowances	55.07	55.07	-	-
(C)	-	-	-	-
(A+B+C)	**5,655.69**	**6,181.48**	**988.56**	**1,223.16**

10. Other financial assets

	Non-current		Current	
	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Tender, security and other deposits				
(a) Unsecured, considered good	1,193.76	910.73	85.84	35.68
(b) Unsecured, credit impaired	22.28	22.28	-	-
	1,216.04	933.01	85.84	35.68
Less: Loss allowances	22.28	22.28	-	-
(A)	1,193.76	910.73	85.84	35.68
Interest accrued on fixed deposits and margin money (B)	-	-	454.96	1,037.18
(A+B)	**1,193.76**	**910.73**	**540.80**	**1,072.86**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

11. Deferred tax assets (Net)

As at 31st March 2026 **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	(1,030.26)	(709.89)	-	(1,740.15)	-	(1,740.15)
Trade receivables	703.38	121.07	-	824.45	824.45	-
Other items	1,058.88	1,236.12	20.28	2,315.28	2,315.28	-
Tax assets/(liabilities)	**732.00**	**647.30**	**20.28**	**1,399.58**	**3,139.73**	**(1,740.15)**

As at 31st March 2025 **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	(1,041.66)	11.40	-	(1,030.26)	-	(1,030.26)
Trade receivables	718.38	(15.00)	-	703.38	703.38	-
Other items	1,105.83	(49.84)	2.88	1,058.88	1,058.88	-
Tax assets/(liabilities)	**782.55**	**(53.44)**	**2.88**	**732.00**	**1,762.26**	**(1,030.26)**

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.

12. Other assets

		Non-current		Current	
		As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Capital advances	(A)	3,411.32	4,374.40	-	-
Balance with statutory authorities	(B)	355.80	312.47	18,710.32	13,655.36
Advance to suppliers					
Unsecured, considered good - Others		-	-	4,191.13	4,632.94
Unsecured, credit impaired		14.20	14.20	-	-
		14.20	14.20	4,191.13	4,632.94
Less: Loss allowances		14.20	14.20	-	-
	(C)	-	-	4,191.13	4,632.94
Export incentives and other receivables	(D)	-	-	1,962.84	930.49
Prepaid expenses	(E)	-	-	1,853.14	1,354.80
Unbilled Revenue *		-	-	23,285.24	7,438.17
Less: Loss allowances		-	-	380.00	-
	(F)	-	-	22,905.24	7,438.17
	(A+B+C+D+E+F)	**3,767.12**	**4,686.87**	**49,622.67**	**28,011.76**

* Figures for the year ended 31st March 2025 includes INR 2,653.35 Lacs previously classified under trade receivables, being contractual claims receivable from a customer in respect of an ongoing EPC contract.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

13. Inventories

(valued at lower of cost and net realisable value)

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Raw materials and components (includes in transit INR 104.46 Lacs, 31st March 2025: INR 987.92 Lacs)	17,021.84	11,991.04
Work-in-progress	1,288.71	2,092.59
Finished goods	12,393.90	4,933.17
Traded goods	4,189.89	2,675.71
Stores and spares	2,495.40	2,279.97
Contract work-in-progress	1,166.32	131.36
	38,556.06	**24,103.84**

14. Investments

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Investments measured at fair value through profit and loss		
Quoted, fully paid-up		
5,875 (31st March 2025: 5,875) equity shares of INR 2 each, fully paid-up in Sterlite Technologies Limited	9.27	4.76
* 5,875 (31st March 2025: Nil) equity shares of INR 2 each, fully paid-up in STL Networks Limited	1.10	-
70 (31st March 2025: 70) equity shares of INR 2 each, fully paid-up in Jain Irrigation Systems Limited	0.02	0.04
40,500 (31st March 2025: 40,500) equity shares of INR 2 each fully paid-up in Canara Bank	50.03	36.05
	60.42	**40.85**
Aggregate amount of quoted investments	60.42	40.85
Market value of quoted investments	60.42	40.85

Note : The company holds 10,988 (31st March 2025: 7,988) equity shares ranging from face value INR 1 to 10, fully paid-up in four companies carried at zero value.

* Pursuant to the demerger of Sterlite Technologies Limited, the Company received equity shares of STL Networks Limited

15. Cash and cash equivalents

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Balances with banks		
- On current accounts [Refer note below]	13,620.03	6,143.81
- Deposits with original maturing less than three months	475.00	5,412.05
Cash on hand	18.67	25.60
	14,113.70	**11,581.46**

Note: Includes balance of INR 5,788.07 Lacs (31st March 2025: INR 1,303.85 Lacs) in escrow accounts for utilisation in the execution of a specific EPC contract.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

16. Bank balances other than cash and cash equivalents

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Balances with banks		
- On unclaimed dividend accounts	85.72	81.10
Other bank balances:		
- Deposits with original maturity of more than three months	3,181.72	14,826.49
- Margin money deposits [Refer note below]	9,731.20	15,953.33
	12,998.64	**30,860.92**

Note: Margin money deposits with a carrying amount of INR 9,731.20 Lacs (31st March 2025: INR 15,953.33 Lacs) are subject to first charge to secure bank guarantees issued by banks on our behalf.

17. Equity share capital

	As at 31st March 2026		As at 31st March 2025	
	No of shares	INR in Lacs	No of shares	INR in Lacs
Authorised capital				
Equity shares of INR 1 each	320,000,000	3,200.00	320,000,000	3,200.00
Issued, subscribed and fully paid-up capital				
Equity shares of INR 1 each	146,666,590	1,466.67	146,666,590	1,466.67
	146,666,590	**1,466.67**	**146,666,590**	**1,466.67**

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year

	As at 31st March 2026		As at 31st March 2025	
	Number of equity shares Face value INR 1	INR in Lacs	Number of equity shares Face value INR 1	INR in Lacs
At the beginning of the year	146,666,590	1,466.67	146,666,590	1,466.67
Add: Issued during the year	-	-	-	-
At the end of the year	**146,666,590**	**1,466.67**	**146,666,590**	**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. 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% equity shares in the company #

	As at 31st March 2026		As at 31st March 2025	
	Number of equity shares Face value INR 1	% holding	Number of equity shares Face value INR 1	% holding
Mr. Rajesh Sharma	8,281,669	5.647%	8,249,680	5.625%

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.

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NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

17. Equity share capital (contd...)

(d) Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Nil equity shares (Previous period of five years ended 31st March 2025: Nil equity shares)

(e) Equity shares reserved for issued under ESOS

There are no pending equity shares reserved for issue under Employee Stock Option Schemes (ESOS).

(f) Details of shares held by promoters

As on 31st March 2026

Promoter name	Number of equity shares Face value INR 1	% of total equity shares	% change during the year
Rajesh Sharma	8,281,669	5.647%	0.022%
M. P. Patni	6,862,924	4.679%	0.000%
Dinesh Sharma	5,712,710	3.895%	-0.211%
Bimal Jain	3,638,515	2.481%	0.000%
Aankur Patni	2,952,930	2.013%	0.000%
Uma Gopal Ranganathan	1,290,220	0.880%	-0.160%
Aruna Sharma	1,103,460	0.752%	0.020%
Poonam Sharma	806,500	0.550%	0.211%
Dhruv Dinesh Trigunayat	150,000	0.102%	0.000%
Priya Trigunayat	150,000	0.102%	0.000%
Pallavi Sharma	20,000	0.014%	0.000%
Nidhi Patni	10,000	0.007%	0.000%
Vishnu Gopal Ranganathan	1,573,000	1.073%	-0.113%
Ion Exchange Financial Products Private Limited	504,220	0.344%	0.000%
Aqua Investments (India) Limited	2,538,030	1.730%	0.000%
Watercare Investments (India) Limited	1,840,710	1.255%	0.000%
	37,434,888	**25.524%**	**-0.231%**

As on 31st March 2025

Promoter name	Number of equity shares Face value INR 1	% of total equity shares	% change during the year
Rajesh Sharma	8,249,680	5.625%	0.000%
M. P. Patni	6,862,924	4.679%	-0.232%
Dinesh Sharma	6,022,710	4.106%	-0.205%
Bimal Jain	3,638,515	2.481%	-0.203%
Aankur Patni	2,952,930	2.013%	0.000%
Uma Gopal Ranganathan	1,525,220	1.040%	-0.133%
Aruna Sharma	1,073,450	0.732%	-0.004%
Poonam Sharma	496,500	0.339%	0.000%
Dhruv Dinesh Trigunayat	150,000	0.102%	0.102%
Priya Trigunayat	150,000	0.102%	0.102%
Pallavi Sharma	20,000	0.014%	0.000%
Nidhi Patni	10,000	0.007%	0.000%
Vishnu Gopal Ranganathan	1,740,000	1.186%	-0.055%
Ion Exchange Financial Products Private Limited	504,220	0.344%	0.000%
Aqua Investments (India) Limited	2,538,030	1.730%	0.000%
Watercare Investments (India) Limited	1,840,710	1.255%	0.000%
	37,774,889	**25.755%**	**-0.628%**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

18. Other equity

		As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Securities 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		117,440.08	97,844.33
Profit for the year		13,837.92	21,448.27
Other comprehensive income		(60.61)	(8.56)
Dividend paid [Refer note (b) below]		(1,843.96)	(1,843.96)
	(D)	129,373.43	117,440.08
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)	**137,497.54**	**125,564.19**

Notes

(a) Description of nature and purpose of each reserve

Securities premium account: Securities premium account is used to record the premium on issue of shares. Securities premium account 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 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Dividend [INR 1.50 per equity share of face value of INR 1 each (2024-25: INR 1.50 per equity share of face value of INR 1 each)]	2,200.00	2,200.00
Less: Dividend on treasury shares	(356.04)	(356.04)
	1,843.96	**1,843.96**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

19. Borrowings

	Non-current		Current maturities of Non-current borrowings	
	As at 31st March 2026 INR in Lacs	**As at 31st March 2025 INR in Lacs**	**As at 31st March 2026 INR in Lacs**	**As at 31st March 2025 INR in Lacs**
Term loans (Secured)				
Indian rupee loan from financial institution [Refer note (a) and (b) below]	29,751.11	18,442.00	5,515.89	2,065.89
Indian rupee loan from a bank [Refer note (c) below]	1,068.51	1,353.45	284.94	71.23
	30,819.62	**19,795.45**	**5,800.83**	**2,137.12**
The above amount includes				
Secured borrowings	30,819.62	19,795.45	5,800.83	2,137.12
Unsecured borrowings	-	-	-	-
Amount included under the head "Borrowings - Current" (Refer note 22)	-	-	(5,800.83)	(2,137.12)
	30,819.62	**19,795.45**	**-**	**-**

Notes

(a) Indian rupees loan from financial institution for capital expenditure carrying interest rate @ 9.25% p.a. as on 31st March 2026. The loan is secured by exclusive charge on movable and immovable fixed assets pertaining to Reverse Osmosis Membrane manufacturing facility project at Goa, under Phase I under and is repayable in 20 equal quarterly instalments from 1st August 2023.

(b) Indian rupees loan from financial institution for capital expenditure carrying interest rate @ 8.30% p.a. as on 31st March 2026. The loan is secured by first charge on movable and immovable fixed assets (on present and future assets) pertaining to a Resin manufacturing facility project in Roha, Maharashtra and is repayable in 20 equal quarterly instalments from 30th September 2026.

(c) Indian rupees loan from a bank for execution of BOOT order from a company and carries interest rate @ 8.70% p.a. as on 31st March 2026. The loan is secured by exclusive charge on movable fixed assets of this plant, stock and book debts arising out of the said BOOT order and on present and future cash flows and is repayable in 20 equal quarterly instalments from 31st March 2026.

(d) Terms of repayment of total borrowings outstanding above as at 31st March 2026 are provided below: INR in Lacs

Borrowings	Total carrying value	<1 year	1-3 years	3-5 years	> 5 years	Repayment Terms (Balance Term)
Indian rupee loan from financial institution [Refer note (a) above]	767.00	340.89	426.11	-	-	Repayment in 9 quarterly installments
Indian rupee loan from financial institution [Refer note (b) above]	34,500.00	5,175.00	13,800.00	13,800.00	1,725.00	Repayment in 20 quarterly installments
Indian rupee loan from a bank [Refer note (c) above]	1,353.45	284.94	569.87	498.64	-	Repayment in 19 quarterly installments
	36,620.45	**5,800.83**	**14,795.98**	**14,298.64**	**1,725.00**	

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NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

20. Other financial liabilities - Non Current

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Dealer Deposits	893.94	878.28
Deferred payment for acquisition *	352.09	458.31
	1,246.03	**1,336.59**

* Pertains to acquiring of 100% paid-up equity of the company - 'Mapril - Produtos Químicos e Máquinas Para A Industria, LDA', Portugal on 22nd June 2023

21. Provisions

	Non-current		Current	
	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Provision for employee benefits (Refer note 39)	2,629.97	1,729.96	2,153.26	624.92
Provision for warranties	-	-	78.45	55.03
	2,629.97	**1,729.96**	**2,231.71**	**679.95**

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.

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
At the beginning of the year	55.03	49.39
Additional provision recognised during the year	78.45	55.03
Utilised during the year	55.03	49.39
Unused amounts reversed	-	-
At the end of the year	**78.45**	**55.03**

22. Borrowings - Current

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Working capital loans from banks (Secured) [Refer note (a) below]	502.89	757.90
Working capital loan from bank (Secured) [Refer note (b) below]	1,300.00	-
Current maturities of long term borrowings (Secured) (Refer note 19)	5,800.83	2,137.12
	7,603.72	**2,895.02**
The above amount includes		
Secured borrowings	7,603.72	2,895.02
Unsecured borrowings	-	-
	7,603.72	**2,895.02**

(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 @ 8.10% to 9.90% p.a. (31st March 2025: 8.90% to 11.65% p.a.).

(b) The working capital demand loan of INR 1,300.00 Lacs (31st March 2025: Nil) 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 respective due date(s) and carries interest @ 8.25 % p.a.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

23. Trade payables

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Trade payables (including acceptances)		
- Total outstanding dues of micro and small enterprises (Refer note 51)	12,171.65	5,900.85
- Total outstanding dues of creditors other than Micro and Small Enterprises	72,506.51	67,563.90
	84,678.16	**73,464.75**

Trade payables ageing schedule

As at 31 March 2026

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
Total outstanding dues of micro enterprises and small enterprises	10,277.13	1,662.10	213.71	10.56	8.15	12,171.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	57,265.37	11,828.95	1,810.57	458.52	878.68	72,242.09
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	264.42	-	-	264.42
	67,542.50	**13,491.05**	**2,288.70**	**469.08**	**886.83**	**84,678.16**

As at 31 March 2025

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
Total outstanding dues of micro enterprises and small enterprises	4,704.53	1,149.53	31.91	7.82	7.06	5,900.85
Total outstanding dues of creditors other than micro enterprises and small enterprises	52,733.81	12,423.44	601.22	733.52	721.43	67,213.42
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	350.48	-	-	-	350.48
	57,438.34	**13,923.45**	**633.13**	**741.34**	**728.49**	**73,464.75**

24. Other financial liabilities - Current

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Interest accrued but not due	3.91	1.11
Employee benefits payable	5,049.33	3,971.36
Creditors for capital goods	2,813.70	4,668.00
Deferred payment for acquisition *	218.01	187.07
Unpaid dividend	85.72	81.10
	8,170.67	**8,908.64**

* Pertains to acquiring of 100% paid-up equity of the company - ‘Mapril - Produtos Químicos e Máquinas Para A Industria, LDA’, Portugal on 22nd June 2023

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

25. Other current liabilities

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Advance from customers	23,145.17	24,471.91
Unearned revenue on construction contracts (Refer note 41)	19,377.90	22,639.19
Unearned revenue on AMC services	1,862.68	1,401.56
Statutory dues	1,692.72	1,839.28
Other liabilities	360.00	360.00
	46,438.47	**50,711.94**

26. Current tax liabilities

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Provision for income tax (Net of advance tax)	685.56	870.70
	685.56	**870.70**

27. Revenue from operations

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Sale of products		
Finished goods	175,956.24	155,774.81
Traded goods	26,111.44	20,526.01
Sale of services	64,300.42	75,888.11
Other operating revenue		
Scrap sale	506.85	445.66
Management fees	136.12	109.02
Other operating income (Export incentive)	879.47	1,262.64
	267,890.54	**254,006.25**

Revenue disaggregation as per industry vertical and geography has been included in segment information (Refer note 42)

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

28. Other income

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Interest income on financial instruments measured at amortised cost		
- From banks	1,653.48	2,945.37
- From subsidiaries (Refer note 43)	884.62	823.21
- From others	273.46	493.91
Guarantee commission (Refer note 43)	133.51	131.11
Rent	235.85	230.77
Dividend income on		
- Investment in subsidiaries (Refer note 43)	188.19	101.96
- Current investments	2.43	1.30
- Long-term investments	21.96	16.21
Exchange gain (Net)	3,766.87	151.04
Profit on fixed assets sold/discarded (Net)	159.48	48.43
Other non operating Income *	2,155.21	171.43
Change in fair value of investments classified at FVTPL	19.57	-
	9,494.63	**5,114.74**

* Includes interest element of INR 2,138.60 Lacs being contractual claims lodged by the company in respect of an ongoing EPC contract.

29. Cost of raw material consumed

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Inventory at the beginning of the year	11,991.04	8,950.08
Add: Purchases *	175,065.06	157,224.07
Less: Inventory at the end of the year	17,021.84	11,991.04
Cost of raw material and components consumed **	**170,034.26**	**154,183.11**

*** includes direct expenses incurred on contracts:**

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Project management consultancy	4,314.09	3,005.07
Bank charges	1,081.27	1,044.42
Sales commission	395.77	965.92
Legal and professional charges	889.09	740.28
Travelling and conveyance	1,030.27	649.32
Establishment and other miscellaneous expenses	760.62	736.00
Insurance	459.12	450.04
Rent	270.45	352.72
Freight	661.65	225.29
Interest	96.17	150.35
	9,958.50	**8,319.41**

** 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

30. Purchases of stock-in-trade

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Consumer products	14,018.03	10,050.67
Spares	549.06	661.14
Others	56.78	69.31
	14,623.87	**10,781.12**

31. Changes in inventories of finished goods, stock-in-trade and work-in-progress

		Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Inventories at the end of the year			
Traded goods		4,189.89	2,675.71
Work-in-progress		1,288.71	2,092.59
Finished goods		12,393.90	4,933.17
Contract work-in-progress		1,166.32	131.36
	(A)	**19,038.82**	**9,832.83**
Inventories at the beginning of the year			
Traded goods		2,675.71	1,844.32
Work-in-progress		2,092.59	2,414.67
Finished goods		4,933.17	3,972.15
Contract work-in-progress		131.36	80.15
	(B)	**9,832.83**	**8,311.29**
	(B) - (A)	**(9,205.99)**	**(1,521.54)**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

32. Employee benefits expense

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Salaries, wages and bonus	30,170.38	25,069.21
Contribution to provident and other funds (Refer note 39)	1,775.75	1,364.83
Staff welfare expense	1,209.10	1,043.77
	33,155.23	**27,477.81**

33. Finance costs

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Interest expense on financial liabilities measured at amortised cost	1,686.44	420.10
Interest on lease liabilities	199.41	158.03
Other borrowing costs	168.21	260.33
	2,054.06	**838.46**

34. Depreciation and amortisation expense

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Depreciation of property, plant and equipment (Refer note 2)	4,426.09	2,854.65
Depreciation on right-of-use assets (Refer note 3)	1,029.67	853.76
Amortization of intangible assets (Refer note 5)	302.61	290.82
	5,758.37	**3,999.23**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

35. Other expenses

		Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Stores and spare parts consumed		114.15	74.89
Power and fuel		2,930.49	2,467.78
Repairs and maintenance	- Buildings	256.67	154.30
	- Plant and machinery	1,150.66	1,080.60
	- Others	434.02	524.94
Rent (Net of recoveries)		470.43	206.69
Rates and taxes		686.45	720.87
Insurance (Net of recoveries)		283.60	246.99
Travelling and conveyance		5,334.87	4,917.75
Freight (Net of recoveries)		7,381.31	7,742.26
Packing (Net of recoveries)		2,575.94	2,736.95
Advertisement and publicity		2,612.65	2,153.92
Commission		937.35	1,108.15
Legal and professional charges		4,833.08	2,796.98
Telephone and communication expenses		277.47	244.51
Bad debts written off		-	60.48
Less : Withdrawal of provision for bad debts		-	(59.62)
		-	0.86
Allowances for expected credit losses		1,515.00	-
Doubtful advances / claims written off		3.73	85.08
Less: Provision for doubtful advances / claims utilised		-	(85.08)
		3.73	-
Auditors' remuneration (Refer note 35.1)		85.74	81.54
Directors' sitting fees (Refer note 43)		37.30	37.55
Commission to non-executive directors (Refer note 43)		280.00	660.00
Bank charges		282.38	289.84
Change in fair value of investments classified at FVTPL		-	12.76
Establishment and other miscellaneous expenses *		8,366.13	6,300.72
		40,849.42	**34,560.85**

* Includes CSR expenditure of INR 530.87 Lacs (2024-25: INR 486.76 Lacs) Refer note 53

35.1 Auditors' remuneration (excluding taxes)

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
As auditor:		
- Audit fees	58.00	58.00
- Limited review	9.00	9.00
In other capacity:		
- Other services (Certification fees and other attestation)	13.07	3.80
Reimbursement of expenses	5.67	6.24
Branch auditor		
- Audit fees	-	2.75
- Other services (Certification fees)	-	1.20
- Reimbursement of expenses	-	0.55
	85.74	**81.54**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

36. Tax expense

		Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Current tax		5,470.92	7,300.24
Deferred tax		(647.30)	53.44
		4,823.62	**7,353.68**
Reconciliation of tax expense			
Profit before tax		18,661.54	28,801.95
Applicable tax rate		25.17%	25.17%
Computed tax expense	**(A)**	**4,697.11**	**7,249.45**
Adjustments for:			
Non-deductible tax expenses		73.70	49.58
Tax deductible income/expenses		(109.61)	(29.95)
Corporate social responsibility expenditure		133.62	122.58
Deduction under house property		(17.12)	(17.44)
Others		45.92	(20.54)
Net adjustments	**(B)**	**126.51**	**104.23**
Tax expense	**(A+B)**	**4,823.62**	**7,353.68**

37. Other comprehensive income

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Items that will not be reclassified to profit or loss		
(a) Re-measurements of defined benefit plans	(80.89)	(11.44)
(b) Income tax expense on re-measurement benefit of defined benefit plans	20.28	2.88
	(60.61)	**(8.56)**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

38. Earnings per share (EPS)

	Particulars	31st March 2026	31st March 2025
I	**Earnings**		
	Net profit as per the statement of profit and loss attributable for equity shareholders (INR in Lacs)	13,837.92	21,448.27
II	**Number of shares**		
	Weighted average number of equity shares for earnings per share computation		
	A) For basic earnings per share		
	No. of shares (INR 1 each)	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 (INR 1 each)		
	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)	11.257	17.447
	Diluted (INR)	11.257	17.447

39. Employee benefits

A. <u>Gratuity</u>

The company has a defined benefit gratuity plan. The plan provides for lump sum payment to vested employees at retirement, on death while in employment or on termination of the employment in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme, as applicable. Every employee who has completed five years or more of service gets a gratuity on departure. 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	2025-26	2024-25
I	**Change in defined benefit obligation**		
	Defined benefit obligation, Beginning of period	2,926.51	3,438.68
	Interest cost	208.96	226.22
	Service cost	415.83	325.39
	Total actuarial (gains)/losses	(23.70)	(7.26)
	a. Effect of change in financial assumptions	(121.53)	14.01
	b. Effect of change in demographic assumptions	19.04	(61.00)
	c. Experience (gains) / losses	78.79	39.73
	Benefits paid	(208.85)	(1,056.52)
	Past service cost	1,057.30	-
	Defined benefit obligation, end of period	4,376.05	2,926.51
II	**Change in the fair value of plan assets**		
	Fair value of plan assets at the beginning of the period	2,418.16	2,975.40
	Interest income	162.59	213.96
	Contributions by the employer	233.03	289.41
	(Benefit paid from the fund)	(178.70)	(1,041.91)
	Return on plan assets, excluding interest income	(104.28)	(18.70)
	Fair value of plan assets at the end of the period	2,530.80	2,418.16

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

39. Employee benefits (contd…)

INR in Lacs

	Particulars	2025-26	2024-25
III	**Expenses recognised in the statement of profit or loss for current period**		
	Current service cost	415.83	325.39
	Net interest cost	46.37	12.26
	Past service cost	1,057.30	-
	Expenses recognised	1,519.50	337.65
IV	**Expenses recognised in the other comprehensive income (OCI) for current period**		
	Actuarial (gains) / losses on obligation for the period	(23.70)	(7.26)
	Return on plan assets, excluding interest income	104.29	18.70
	Net (income) / expense for the period recognised in OCI	80.59	11.44
V	**Maturity analysis of the benefit payments**		
	Projected benefits payable in future years from the date of reporting		
	1st following year	989.20	668.69
	2nd following year	492.38	308.54
	3rd following year	529.02	343.05
	4th following year	450.15	310.50
	5th following year	481.78	285.38
	Sum of years 6 to 10	1,547.19	1,015.72
	Sum of years 11 and above	1,748.00	1,122.11
VI	**Sensitivity analysis**		
	Projected benefit obligation on current assumptions	4,376.05	2,926.51
	Delta effect of +0.5% change in rate of discounting	(102.28)	(71.16)
	Delta effect of -0.5% change in rate of discounting	108.08	75.36
	Delta effect of +0.5% change in rate of salary increase	106.84	74.52
	Delta effect of -0.5% change in rate of salary increase	(81.23)	(71.20)
	Delta effect of +0.5% change in rate of employee turnover	(18.52)	(13.09)
	Delta effect of -0.5% change in rate of employee turnover	19.19	13.63
VII	**Actuarial assumption**		
	Discount rate	3.73% - 6.82%	4.18% - 6.82%
	Expected rate of salary increase	7% - 10%	7% - 10%
	Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
	Attrition rate	11%-21%	11%-21%
	Rate of return on plan assets	6.54% - 7.23%	6.45% - 6.82%
	Weighted average duration of the defined benefit obligation	6 years	6 years

The company expects to contribute INR 898.78 Lacs (2025-26: INR 292.24 Lacs) to gratuity in 2026-27.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

39. 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	
		2025-26	2024-25
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 32:

Gratuity in “Contribution to provident and other funds” INR 1,609.76 Lacs (2024-25: INR 345.07 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 no shortfall in the fund as on 31st March 2026 as per valuation report. (As on 31st March 2025 there was also no shortfall)

The details of fund obligations are given below: **INR in Lacs**

Particulars	As at 31st March 2026	As at 31st March 2025
Details of the fund and asset position		
Plan asset at the year end, at fair value	9,459.49	8,616.47
Present value of benefit obligation at year end	8,860.78	7,909.43
Net liability / (asset)	(598.71)	(707.04)
Assumption used in determining the present value obligation of the interest rate guarantee under the deterministic approach are:		
Discount rate	7.23%	6.82%
Interest Rate guarantee	8.25%	8.25%
Expected rate of return of assets	8.25%	8.25%

C. Defined contribution plan

Amount recognised as an expense and included in the note 32 – “Contribution to provident and other funds” of the statement of profit and loss INR 1,033.70 Lacs (2024-25: INR 880.77 Lacs). There is no deficit in the accumulated corpus of the fund which is to be recognised in statement of profit and loss.

D. Other employee benefits

Amounts recognised as an expense and included in note 32

Leave encashment in “Salaries, wages and bonus” INR 1,321.87 Lacs (2024-25: INR 515.33 Lacs)

E. The net provision for leave encashment liability upto 31st March 2026 is INR 2,887.01 Lacs (31st March 2025: INR 1,834.24 Lacs)

Note:

On 21st November 2025 the Government of India notified four Labour Codes. These Labour Codes consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment and amongst other things introduce changes, including a uniform definition of wages and enhanced benefits relating to leave. The adjustments for Labour Codes represent an increase in gratuity liability arising out of past service cost and increase in leave liability together by INR 1,454.41 Lacs in financials. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the company has presented this incremental amount as ”Impact of Labour Codes” under “Exceptional Item” in the financials for the year ended 31st March 2026. The company continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of liability pertaining to employee benefits.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

40. 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 2026				As at 31st March 2025			
	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	28.27				72.26			
Loans	5,655.69				6,181.48			
Other financial assets	1,193.76				910.73			
Investments *	0.50				0.50			
At FVTPL								
Investments *	94.30	-	-	94.30	94.30	-	-	94.30
**Financial assets - Current ** **								
At amortised cost								
Trade receivables	107,253.49				109,883.70			
Cash and cash equivalents	14,113.70				11,581.46			
Bank balances other than above	12,998.64				30,860.92			
Loans	988.56				1,223.16			
Other financial assets	540.80				1,072.86			
At FVTPL								
Investments	60.42	60.42	-	-	40.85	40.85	-	-
Financial liabilities - Non-current								
At amortised cost								
Borrowings	30,819.62				19,795.45			
Lease liabilities	1,595.88				1,249.61			
Other financial liabilities	1,246.03				1,336.59			
**Financial liabilities - Current ** **								
Borrowings	7,603.72				2,895.02			
Lease liabilities	968.66				462.37			
Trade payables	84,678.16				73,464.75			
Other financial liabilities	8,170.67				8,908.64			

* 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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

40. 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
- Capital risk management

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 analyse 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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

40. Financial instruments (contd...)

(i) 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:

Expected credit loss are as follows

Particulars	Trade receivables	Loans	Other financial assets	Total
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
Balance as at 1st April 2024	2,854.13	138.19	24.24	3,016.56
Provision recognized	-	-	-	-
Amount utilized	(59.62)	(83.12)	(1.96)	(144.70)
Balance as at 31st March 2025	**2,794.51**	**55.07**	**22.28**	**2,871.86**
Provision recognized	481.00	654.00	-	1,135.00
Amount utilized	-	-	-	-
Balance as at 31st March 2026	**3,275.51**	**709.07**	**22.28**	**4,006.86**

Note:
Further ECL on other current assets during the year INR 380.00 Lacs (2024-25: INR Nil) has been provided.

Cash and cash equivalents

The company held cash and cash equivalents of INR 14,113.70 Lacs as at 31st March 2026 (as at 31st March 2025: INR 11,581.46 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 12,998.64 Lacs as at 31st March 2026 (as at 31st March 2025: INR 30,860.92 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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

40. 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 2026 **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 **	36,620.45	45,358.62	8,712.93	18,894.46	15,971.95	1,779.28
(ii) Lease liabilities **	2,564.54	4,113.46	1,108.20	1,285.21	215.99	1,504.06
(iii) Other Non-current financial liabilities	1,246.03	1,266.38	-	372.44	-	893.94
(iv) Issued financial guarantee contract on behalf of related parties***	-	-	-	-	-	-
Current Financial liabilities						
(i) Short term borrowings	1,802.89	1,802.89	1,802.89	-	-	-
(ii) Trade payables	84,678.16	84,678.16	84,678.16	-	-	-
(iii) Other financial liabilities	8,170.67	8,170.67	8,170.67	-	-	-
	135,082.74	**145,390.18**	**104,472.85**	**20,552.11**	**16,187.94**	**4,177.28**

As at 31st March 2025 **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 **	21,932.57	26,653.87	4,150.21	16,738.77	5,541.06	223.83
(ii) Lease liabilities **	1,711.98	3,112.35	487.41	696.02	351.49	1,577.43
(iii) Other Non-current financial liabilities	1,336.59	1,378.37	-	369.30	130.79	878.28
(iv) Issued financial guarantee contract on behalf of related parties***	-	-	-	-	-	-
Current Financial liabilities						
(i) Short term borrowings	757.90	757.90	757.90	-	-	-
(ii) Trade payables	73,464.75	73,464.75	73,464.75	-	-	-
(iii) Other financial liabilities	8,908.64	8,908.64	8,908.64	-	-	-
	108,112.43	**114,275.88**	**87,768.91**	**17,804.09**	**6,023.34**	**2,679.54**

* 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 43).

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

40. 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 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Fixed rate instruments		
Financial assets - measured at amortised cost		
Loans to related parties	6,487.33	7,370.71
Balances with banks - On deposit account with original maturing less than 3 months	475.00	5,412.05
Other bank balances - On deposit account with original maturing more than 3 months	3,181.72	14,826.49
Other bank balances - On margin money account	9,731.20	15,953.33
	19,875.25	**43,562.58**
Variable rate loan		
Financial liabilities – measured at amortised cost		
Long term borrowings *	36,620.45	21,932.57
Short term borrowings	1,802.89	757.90
	38,423.34	**22,690.47**

* Including current maturity of long term borrowings

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

40. 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 2026		31st March 2025	
	Increase (-) INR in Lacs	Decrease + INR in Lacs	Increase (-) INR in Lacs	Decrease + INR in Lacs
1% Movement	(384.23)	384.23	(226.90)	226.90

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 2026 and 31st March 2025 are as below:

As at 31st March 2026 **INR in Lacs**

	USD	EUR	AED	Others	Total
Financial assets					
Loans to subsidiaries	316.09	-	-	-	316.09
Cash and cash equivalents	6,643.08	-	1,649.83	361.80	8,654.71
Trade and other receivables *	33,389.51	7,891.71	2,174.53	351.72	43,807.47
	40,348.68	**7,891.71**	**3,824.36**	**713.52**	**52,778.27**
Less: Forward exchange contracts	(7,288.38)	(2,180.13)	-	-	(9,468.51)
Less: Natural hedge	(3,860.11)	(934.30)	(2,853.36)	(515.50)	(8,163.27)
Net exposure on financial assets	**29,200.19**	**4,777.28**	**971.00**	**198.02**	**35,146.49**
Financial liabilities					
Trade and other payables	3,860.11	1,306.74	2,853.36	1,167.18	9,187.39
	3,860.11	**1,306.74**	**2,853.36**	**1,167.18**	**9,187.39**
Less: Forward exchange contracts	-	-	-	-	-
Less: Natural hedge	(3,860.11)	(934.30)	(2,853.36)	(515.50)	(8,163.27)
Net exposure on financial liabilities	**-**	**372.44**	**-**	**651.68**	**1,024.12**
Total net exposure	**29,200.19**	**5,149.72**	**971.00**	**849.70**	**36,170.61**

* Includes amount of INR 8,518.89 Lacs being in foreign currency and part of unbilled revenue.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

40. Financial instruments (contd...)

As at 31st March 2025 **INR in Lacs**

	USD	EUR	AED	Others	Total
Financial assets					
Loans to subsidiaries	295.38	-	-	-	295.38
Cash and cash equivalents	171.61	-	523.52	1,349.12	2,044.25
Trade and other receivables **	29,765.70	10,846.55	3,040.53	349.43	44,002.21
	30,232.69	**10,846.55**	**3,564.05**	**1,698.55**	**46,341.84**
Less: Forward exchange contracts	(4,056.56)	-	-	-	(4,056.56)
Less: Natural hedge	(3,320.31)	(1,680.95)	(2,132.03)	(1,544.75)	(8,678.04)
Net exposure on financial assets	**22,855.82**	**9,165.60**	**1,432.02**	**153.80**	**33,607.24**
Financial liabilities					
Trade and other payables	3,320.31	2,181.04	2,132.03	2,469.48	10,102.86
	3,320.31	**2,181.04**	**2,132.03**	**2,469.48**	**10,102.86**
Less: Forward exchange contracts	-	-	-	-	-
Less: Natural hedge	(3,320.31)	(1,680.95)	(2,132.03)	(1,544.75)	(8,678.04)
Net exposure on financial liabilities	**-**	**500.09**	**-**	**924.73**	**1,424.82**
Total net exposure	**22,855.82**	**9,665.69**	**1,432.02**	**1,078.53**	**35,032.06**

** Includes amount of INR 2,653.35 Lacs being in foreign currency and part of unbilled revenue.

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 foreign currency 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 2026		31st March 2025	
	(Strengthening)	Weakening	(Strengthening)	Weakening
1% movement				
USD	(292.00)	292.00	(228.56)	228.56
EUR	(51.50)	51.50	(96.66)	96.66
AED	(9.71)	9.71	(14.32)	14.32
Others	(8.50)	8.50	(10.78)	10.78
	(361.71)	**361.71**	**(350.32)**	**350.32**

(iv) Capital risk management

The Company adheres to a disciplined Capital Management framework in order to maintain a strong balance sheet. The main objectives are as follows:

a) Maintain good rating domestically.

b) Manage foreign exchange, interest rates and commodity price risk, and minimise the impact of market volatility on earnings.

c) Diversify sources of financing and spread the maturity across tenure buckets in order to manage liquidity risk.

d) Leverage optimally in order to maximise shareholder returns.

The Net Gearing Ratio at end of the reporting period was as follows:

Particulars	31st March, 2026 INR in Lacs	31st March, 2025 INR in Lacs
Gross debt	38,423.34	22,690.47
Less: Cash and cash equivalent, fixed deposits and marketable securities	17,355.84	26,448.80
Net debt (A)	21,067.50	-3,758.33
Total equity (As per Balance Sheet) (B)	138,964.21	127,030.86
Net Gearing (A/B)	0.15	(0.03)

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

41. 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 42).

(c) Reconciliation of contract assets and liabilities

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 2026**	**As at 31st March 2025**
Receivables which are included in trade and other receivables	65,182.00	77,226.30
Contract assets		
- Accrued value of work done	22,905.24	7,438.17
Contract liabilities		
- Unearned revenue on construction contracts	19,377.90	22,639.19
- Advance from customers	18,018.17	19,827.21

(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 2026	**31st March 2025**
Amount of revenue expected to be recognised for contracts having original expected duration of more than one year in progress as at reporting date	146,675.00	186,990.00

(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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

41. 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) Revenue from sale of goods is recognises at the point in time when control of the assets is transferred to the customer, basis incoterms.

(g) 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.

(h) 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	2025-26	2024-25
Revenue	269,603.07	255,223.20
Less: Reduction towards variable consideration component *	1,712.53	1,216.95
Revenue recognised in the statement of profit and loss	**267,890.54**	**254,006.25**

* Reduction towards variable consideration component includes discount etc.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

42. Segment

I. Information about business segments **INR in Lacs**

	Engineering		Chemicals		Consumer Products		Unallocated		Total	
	31-March-2026	31-March-2025	31-March-2026	31-March-2025	31-March-2026	31-March-2025	31-March-2026	31-March-2025	31-March-2026	31-March-2025
Revenue										
External sales	163,029.24	159,912.27	66,791.05	64,967.90	37,934.12	29,015.29	136.13	110.79	267,890.54	254,006.25
Inter-segmental Sales	4,125.95	3,775.23	5,008.22	3,857.89	7.85	-	-	-	9,142.02	7,633.12
Total revenue	167,155.19	163,687.50	71,799.27	68,825.79	37,941.97	29,015.29	136.13	110.79	277,032.56	261,639.37
Less: Eliminations									(9,142.02)	(7,633.12)
Add: Interest income							2,811.56	4,262.49	2,811.56	4,262.49
Add: Other income	5,165.22	318.34	1,165.57	1.88	-	0.04	352.28	531.99	6,683.07	852.25
Total enterprise revenue									277,385.17	259,120.99
Result										
Segment results	9,167.07	11,271.46	16,572.28	19,253.08	(1,204.43)	(1,539.92)	-	-	24,534.92	28,984.62
Unallocated expenditure net of unallocated income							(6,630.88)	(3,606.70)	(6,630.88)	(3,606.70)
Finance cost							(2,054.06)	(838.46)	(2,054.06)	(838.46)
Interest income							2,811.56	4,262.49	2,811.56	4,262.49
Profit before taxation							(5,873.38)	(182.67)	18,661.54	28,801.95
Other Information										
Segment assets	176,085.73	175,665.54	102,952.12	73,493.91	13,457.47	8,653.38	33,537.34	31,323.01	326,032.66	289,135.84
Segment liabilities	102,168.55	101,861.87	61,525.87	43,496.31	10,468.14	7,475.17	12,905.89	9,271.63	187,068.45	162,104.98
Capital expenditure	1,700.09	2,466.08	38,019.11	3,430.65	46.66	441.86	830.00	411.04	40,595.86	6,749.63
Depreciation	1,494.79	1,295.72	3,103.30	1,698.92	103.26	74.83	1,057.02	929.76	5,758.37	3,999.23
Non cash expenditure other than depreciation	1,015.10	154.52	156.52	129.67	158.87	103.10	1,281.29	53.24	2,611.78	440.53

II. Information about geographical segments **INR in Lacs**

	India		Outside India		Total	
	31-March- 2026	31-March- 2025	31-March- 2026	31-March- 2025	31-March- 2026	31-March- 2025
External revenue	211,433.98	178,021.02	56,456.56	75,985.23	267,890.54	254,006.25
Carrying amount of segment assets	268,181.98	237,530.73	57,850.68	51,605.11	326,032.66	289,135.84
Additions to property, plant and equipment	40,595.86	6,748.55	-	1.08	40,595.86	6,749.63

III. Notes:

(a) 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.

(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) Revenue from customers of the company is Nil which accounts for more than 10% of the company's total revenue for the year ended 31st March 2026 (2024-25 : Revenue from two customers of the company was INR 59,234.97 Lacs which accounted for more than 10% of the company's total revenue for the year ended 31st March 2025).

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. 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 ^ 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
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 (till 30th Sep 2024) - Executive Chairman (w.e.f. 1st Oct 2024) Mr. Indraneel Dutt - Managing Director (w.e.f. 1st Oct 2024) Mr. Dinesh Sharma - Executive Director (till 30th Sep 2024) Mr. Aankur Patni - Executive Director(till 30th Sep 2024)
d)	Non-executive directors	Mr. Dinesh Sharma - Vice Chairman (from 1st Oct 2024) Mr. Aankur Patni - Vice Chairman (from 1st Oct 2024) Dr. V. N. Gupchup (till 11th Sep 2024) Mr. M. P. Patni Mr. T. M. M. Nambiar (till 11th Sep 2024) Mr. P. Sampathkumar (till 11th Sep 2024) Mr. Abhiram Seth (till 11th Sep 2024) Mr. Shishir Tamotia (till 11th Sep 2024) Mrs. Kishori Udeshi (till 11th Sep 2024) Mr. David Paul Rasquinha Mr. Sanjay Joshi Mr. Amitav Guharoy (w.e.f. 11th Sept 2024) Mrs. Alka Arora Misra (w.e.f. 11th Sept 2024) Mr. Gopalaraman Padmanabhan (w.e.f. 11th Sept 2024)
e)	Relatives of key managerial personnel and director	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 Ultrapure Envirocare Pvt Ltd Ultrafresh Modular Solutions Ltd
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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. 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	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Sale of goods *								
Ion Exchange And Company LLC, Oman	11.52	42.25	-	-	-	-	11.52	42.25
Ion Exchange Arabia For Water, Saudi Arabia	636.32	623.24	-	-	-	-	636.32	623.24
Ion Exchange Asia Pacific (Thailand) Ltd., Thailand	390.58	108.41	-	-	-	-	390.58	108.41
Ion Exchange Asia Pacific Pte. Ltd., Singapore	645.63	2,183.24	-	-	-	-	645.63	2,183.24
Ion Exchange Environment Management (BD) Ltd., Bangladesh	153.73	100.97	-	-	-	-	153.73	100.97
Ion Exchange LLC, USA	4,250.71	4,001.68	-	-	-	-	4,250.71	4,001.68
Ion Exchange Purified Drinking Water Pvt. Ltd.	-	0.53	-	-	-	-	-	0.53
Ion Exchange Safic Pty. Ltd., South Africa	1,458.78	616.78	-	-	-	-	1,458.78	616.78
Mapril - Produtos Químicos e Máquinas Para A Indústria, LDA, Portugal	4,160.21	3,410.14	-	-	-	-	4,160.21	3,410.14
PT Ion Exchange Asia Pacific, Indonesia	163.44	93.99	-	-	-	-	163.44	93.99
Aquanomics Systems Ltd.	-	-	8,505.37	7,962.11	-	-	8,505.37	7,962.11
Ion Exchange PSS Co. Ltd., Thailand	-	-	223.29	283.95	-	-	223.29	283.95
Ultrafresh Modular Solutions Limited	-	-	-	-	0.09	-	0.09	-
Ultrapure Envirocare Pvt Ltd	-	-	-	-	0.15	0.11	0.15	0.11
Total	**11,870.92**	**11,181.23**	**8,728.66**	**8,246.06**	**0.24**	**0.11**	**20,599.82**	**19,427.40**
Services rendered								
Ion Exchange Projects And Engineering Ltd.	94.18	101.01	-	-	-	-	94.18	101.01
Total Water Management Services (India) Ltd.	-	7.11	-	-	-	-	-	7.11
Aquanomics Systems Ltd.	-	-	1.98	1.98	-	-	1.98	1.98
Total	**94.18**	**108.12**	**1.98**	**1.98**	**-**	**-**	**96.16**	**110.10**
Sales of property, plant and equipment								
Ion Exchange Arabia For Water	-	48.32	-	-	-	-	-	48.32
Total	**-**	**48.32**	**-**	**-**	**-**	**-**	**-**	**48.32**
Rental income								
Ion Exchange Projects And Engineering Ltd.	92.28	89.45	-	-	-	-	92.28	89.45
Total	**92.28**	**89.45**	**-**	**-**	**-**	**-**	**92.28**	**89.45**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. 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	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Interest income on loan and advances								
Ion Exchange Asia Pacific Pte. Ltd., Singapore	27.26	25.01	-	-	-	-	27.26	25.01
Ion Exchange Enviro Farms Ltd.	653.93	598.73	-	-	-	-	653.93	598.73
Ion Exchange Projects And Engineering Ltd.	203.17	193.49	-	-	-	-	203.17	193.49
Ion Exchange Purified Drinking Water Pvt. Ltd.	0.18	5.87	-	-	-	-	0.18	5.87
Total Water Management Services (India) Ltd.	0.08	0.11	-	-	-	-	0.08	0.11
Total	**884.62**	**823.21**	**-**	**-**	**-**	**-**	**884.62**	**823.21**
Management fees								
Aquanomics Systems Ltd.	-	-	136.12	110.14	-	-	136.12	110.14
Total	**-**	**-**	**136.12**	**110.14**	**-**	**-**	**136.12**	**110.14**
Purchase of goods *								
Mapril - Produtos Químicos e Máquinas Para A Indústria, LDA, Portugal	-	3.31	-	-	-	-	-	3.31
Aquanomics Systems Ltd.	-	-	1,993.41	86.83	-	-	1,993.41	86.83
Total	**-**	**3.31**	**1,993.41**	**86.83**	**-**	**-**	**1,993.41**	**90.14**
Services received								
Ion Exchange Projects And Engineering Ltd.	5,686.53	3,379.00	-	-	-	-	5,686.53	3,379.00
Ion Exchange Safic Pty. Ltd., South Africa	16.56	-	-	-	-	-	16.56	-
Mapril - Produtos Químicos e Máquinas Para A Indústria, LDA, Portugal	-	213.46	-	-	-	-	-	213.46
Total Water Management Services (India) Ltd.	70.30	64.95	-	-	-	-	70.30	64.95
Aquanomics Systems Ltd.	-	-	13.87	14.98	-	-	13.87	14.98
Total	**5,773.39**	**3,657.41**	**13.87**	**14.98**	**-**	**-**	**5,787.26**	**3,672.39**
Rental expenses								
Ion Exchange Enviro Farms Ltd.	50.24	46.64	-	-	-	-	50.24	46.64
Total	**50.24**	**46.64**	**-**	**-**	**-**	**-**	**50.24**	**46.64**
Miscellaneous expenses								
Ion Exchange Enviro Farms Ltd.	109.26	95.70	-	-	-	-	109.26	95.70
Total	**109.26**	**95.70**	**-**	**-**	**-**	**-**	**109.26**	**95.70**
Re-imbursement of expenses								
Mapril - Produtos Químicos e Máquinas Para A Indústria, LDA, Portugal	2.07	-	-	-	-	-	2.07	-
Total	**2.07**	**-**	**-**	**-**	**-**	**-**	**2.07**	**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. 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	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Provision for doubtful debts								
Ion Exchange Enviro Farms Ltd.	654.00	-	-	-	-	-	654.00	-
Total	**654.00**	**-**	**-**	**-**	**-**	**-**	**654.00**	**-**
Commission paid								
Ion Exchange Arabia For Water, Saudi Arabia	567.39	295.14	-	-	-	-	567.39	295.14
Ion Exchange Asia Pacific (Thailand) Ltd., Thailand	10.29	8.99	-	-	-	-	10.29	8.99
Total	**577.68**	**304.13**	**-**	**-**	**-**	**-**	**577.68**	**304.13**
Loans and advances given								
Ion Exchange Enviro Farms Ltd.	725.55	707.02	-	-	-	-	725.55	707.02
Ion Exchange Projects And Engineering Ltd.	6,992.72	6,055.52	-	-	-	-	6,992.72	6,055.52
Ion Exchange Purified Drinking Water Pvt. Ltd.	141.81	359.55	-	-	-	-	141.81	359.55
Total Water Management Services (India) Ltd.	8.67	4.37	-	-	-	-	8.67	4.37
Total	**7,868.75**	**7,126.46**	**-**	**-**	**-**	**-**	**7,868.75**	**7,126.46**
Loans and advances repaid								
Ion Exchange Asia Pacific Pte. Ltd., Singapore	35.47	-	-	-	-	-	35.47	-
Ion Exchange Enviro Farms Ltd.	220.76	142.16	-	-	-	-	220.76	142.16
Ion Exchange Projects And Engineering Ltd.	7,839.96	4,753.59	-	-	-	-	7,839.96	4,753.59
Ion Exchange Purified Drinking Water Pvt. Ltd.	141.81	434.26	-	-	-	-	141.81	434.26
Total Water Management Services (India) Ltd.	8.54	19.06	-	-	-	-	8.54	19.06
Ion Exchange Financial Product Pvt. Ltd.	-	-	-	9.00	-	-	-	9.00
Total	**8,246.54**	**5,349.07**	**-**	**9.00**	**-**	**-**	**8,246.54**	**5,358.07**
CSR expenses								
Ion Foundation	-	-	-	-	530.10	472.42	530.10	472.42
Total	**-**	**-**	**-**	**-**	**530.10**	**472.42**	**530.10**	**472.42**
Dividend received								
Ion Exchange And Company LLC, Oman	108.68	101.96	-	-	-	-	108.68	101.96
Ion Exchange Safic Pty. Ltd., South Africa	79.51	-	-	-	-	-	79.51	-
Aquanomics Systems Ltd.	-	-	9.20	11.50	-	-	9.20	11.50
Total	**188.19**	**101.96**	**9.20**	**11.50**	**-**	**-**	**197.39**	**113.46**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. 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	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Dividend paid								
Aqua Investments (India) Ltd.	38.07	38.07	-	-	-	-	38.07	38.07
Watercare Investments (India) Ltd.	27.61	27.61	-	-	-	-	27.61	27.61
Aquanomics Systems Ltd.	-	-	0.15	0.15	-	-	0.15	0.15
Ion Exchange Financial Products Pvt. Ltd.	-	-	7.56	7.56	-	-	7.56	7.56
Mr. Rajesh Sharma	-	-	-	-	124.23	123.75	124.23	123.75
Mr. Dinesh Sharma	-	-	-	-	85.69	94.84	85.69	94.84
Mr. Aankur Patni	-	-	-	-	44.29	44.29	44.29	44.29
Mr. M. P. Patni	-	-	-	-	102.94	103.32	102.94	103.32
Dr. V. N. Gupchup	-	-	-	-	-	16.82	-	16.82
Mr. Abhiram Seth	-	-	-	-	-	23.22	-	23.22
Mr. T. M. M. Nambiar	-	-	-	-	-	12.48	-	12.48
Mr. P. Sampath Kumar	-	-	-	-	-	8.73	-	8.73
Mr. Shishir Tamotia	-	-	-	-	-	0.34	-	0.34
Mrs. Kishori Udeshi	-	-	-	-	-	0.54	-	0.54
Mr. Indraneel Dutt	-	-	-	-	0.17	-	0.17	-
Mr. Sanjay Joshi	-	-	-	-	0.03	-	0.03	-
Relatives of Key Management Personnel	-	-	-	-	88.18	79.04	88.18	79.04
Total	**65.68**	**65.68**	**7.71**	**7.71**	**445.53**	**507.37**	**518.92**	**580.76**
Remuneration								
Mr. Rajesh Sharma	-	-	-	-	308.85	455.10	308.85	455.10
Mr. Indraneel Dutt (excluding remuneration for the period 01-Apr-2024 to 30-Sep-2024)	-	-	-	-	266.52	129.46	266.52	129.46
Mr. Dinesh Sharma	-	-	-	-	-	122.83	-	122.83
Mr. Aankur Patni	-	-	-	-	-	126.26	-	126.26
Total	**-**	**-**	**-**	**-**	**575.37**	**833.65**	**575.37**	**833.65**
Professional fees paid								
Mr. Dinesh Sharma	-	-	-	-	169.26	84.00	169.26	84.00
Mr. Aankur Patni	-	-	-	-	169.60	84.00	169.60	84.00
Total	**-**	**-**	**-**	**-**	**338.86**	**168.00**	**338.86**	**168.00**
Commission to executive directors								
Mr. Rajesh Sharma	-	-	-	-	160.00	400.00	160.00	400.00
Mr. Indraneel Dutt	-	-	-	-	160.00	200.00	160.00	200.00
Total	**-**	**-**	**-**	**-**	**320.00**	**600.00**	**320.00**	**600.00**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. 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	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Commission to non-executive directors								
Mr. Dinesh Sharma	-	-	-	-	35.00	150.00	35.00	150.00
Mr. Aankur Patni	-	-	-	-	35.00	150.00	35.00	150.00
Mr. M. P. Patni	-	-	-	-	35.00	60.00	35.00	60.00
Mr. David Paul Rasquinha	-	-	-	-	35.00	60.00	35.00	60.00
Mr. Sanjay Joshi	-	-	-	-	35.00	60.00	35.00	60.00
Mrs. Alka Arora Misra	-	-	-	-	35.00	60.00	35.00	60.00
Mr. Amitava Guharoy	-	-	-	-	35.00	60.00	35.00	60.00
Mr. Gopalaraman Padmanabhan	-	-	-	-	35.00	60.00	35.00	60.00
Total	**-**	**-**	**-**	**-**	**280.00**	**660.00**	**280.00**	**660.00**
Director sitting fees								
Mr. M. P. Patni	-	-	-	-	3.75	4.25	3.75	4.25
Mr. Dinesh Sharma	-	-	-	-	3.25	1.75	3.25	1.75
Mr. Aankur Patni	-	-	-	-	3.60	1.60	3.60	1.60
Dr. V. N. Gupchup	-	-	-	-	-	2.00	-	2.00
Mr. T. M. M. Nambiar	-	-	-	-	-	2.00	-	2.00
Mr. P. Sampath Kumar	-	-	-	-	-	1.50	-	1.50
Mr. Abhiram Seth	-	-	-	-	-	2.75	-	2.75
Mr. Shishir Tamotia	-	-	-	-	-	1.50	-	1.50
Mrs. Kishori Udeshi	-	-	-	-	-	2.00	-	2.00
Mr. David Paul Rasquinha	-	-	-	-	5.85	4.35	5.85	4.35
Mr. Sanjay Joshi	-	-	-	-	6.60	4.35	6.60	4.35
Mrs. Alka Arora Misra	-	-	-	-	4.75	2.75	4.75	2.75
Mr. Amitava Guharoy	-	-	-	-	4.50	3.50	4.50	3.50
Mr. Gopalaraman Padmanabhan	-	-	-	-	5.00	3.25	5.00	3.25
Total	**-**	**-**	**-**	**-**	**37.30**	**37.55**	**37.30**	**37.55**
Corporate guarantees commission								
Ion Exchange Asia Pacific Pte. Ltd., Singapore	26.96	27.54	-	-	-	-	26.96	27.54
Ion Exchange Environment Management (BD) Ltd., Bangladesh	4.17	4.89	-	-	-	-	4.17	4.89
Ion Exchange Safic Pty. Ltd., South Africa	8.98	8.76	-	-	-	-	8.98	8.76
Mapril - Produtos Químicos e Máquinas Para A Indústria, LDA, Portugal	82.40	78.92	-	-	-	-	82.40	78.92
Aquanomics Systems Ltd.	-	-	11.00	11.00	-	-	11.00	11.00
Total	**122.51**	**120.11**	**11.00**	**11.00**	**-**	**-**	**133.51**	**131.11**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. 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	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Corporate guarantees issued								
Ion Exchange Asia Pacific Pte. Ltd., Singapore	-	128.37	-	-	-	-	-	128.37
Mapril - Produtos Químicos e Máquinas Para A Indústria, LDA, Portugal	-	392.38	-	-	-	-	-	392.38
Total	**-**	**520.75**	**-**	**-**	**-**	**-**	**-**	**520.75**
Corporate guarantees discharged								
Ion Exchange Asia Pacific Pte. Ltd., Singapore	-	416.87	-	-	-	-	-	416.87
Ion Exchange Environment Management (BD) Ltd., Bangladesh	-	41.69	-	-	-	-	-	41.69
Total	**-**	**458.56**	**-**	**-**	**-**	**-**	**-**	**458.56**
Contribution to post employment benefit plans								
Ion Exchange (India) Ltd.'s Provident Institution	-	-	-	-	424.90	362.86	424.90	362.86
Ion Exchange (India) Ltd.'s Management Staff Gratuity Fund	-	-	-	-	222.50	263.21	222.50	263.21
Ion Exchange Staff Superannuation Scheme	-	-	-	-	123.45	129.13	123.45	129.13
Ion Exchange India Ltd. – Gratuity Fund Trust	-	-	-	-	10.53	26.20	10.53	26.20
Total	**-**	**-**	**-**	**-**	**781.38**	**781.40**	**781.38**	**781.40**
Security deposit outstanding								
Ion Exchange Enviro Farms Ltd.	20.39	20.39	-	-	-	-	20.39	20.39
Total	**20.39**	**20.39**	**-**	**-**	**-**	**-**	**20.39**	**20.39**
Outstanding loans and advances **								
Ion Exchange Asia Pacific (Thailand) Ltd., Thailand	15.87	15.87	-	-	-	-	15.87	15.87
Ion Exchange Asia Pacific Pte. Ltd., Singapore	298.08	279.09	-	-	-	-	298.08	279.09
Ion Exchange Enviro Farms Ltd. ###	5,792.00	5,287.21	-	-	-	-	5,792.00	5,287.21
Ion Exchange Projects And Engineering Ltd.	1,035.38	1,788.54	-	-	-	-	1,035.38	1,788.54
Total	**7,141.33**	**7,370.71**	**-**	**-**	**-**	**-**	**7,141.33**	**7,370.71**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. 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	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Advance from customer								
Ion Exchange And Company LLC, Oman	7.29	6.31	-	-	-	-	7.29	6.31
Ion Exchange Asia Pacific Pte. Ltd., Singapore	6.43	-	-	-	-	-	6.43	-
Ion Exchange Safic Pty. Ltd., South Africa	0.49	0.49	-	-	-	-	0.49	0.49
Aquanomics Systems Ltd.	-	-	3.37	3.43	-	-	3.37	3.43
Total	**14.21**	**6.80**	**3.37**	**3.43**	**-**	**-**	**17.58**	**10.23**
Outstanding receivables (Net of payables) excluding loans and advances								
Ion Exchange And Company LLC, Oman	83.71	71.53	-	-	-	-	83.71	71.53
Ion Exchange Asia Pacific (Thailand) Ltd., Thailand	640.72 #	655.29 #	-	-	-	-	640.72 #	655.29 #
Ion Exchange Asia Pacific Pte. Ltd., Singapore	931.23	1,675.73	-	-	-	-	931.23	1,675.73
Ion Exchange Arabia For Water, Saudi Arabia	1,087.81	725.48	-	-	-	-	1,087.81	725.48
Ion Exchange Environment Management (BD) Ltd., Bangladesh	46.72	-	-	-	-	-	46.72	-
Ion Exchange LLC, USA	1,396.23	882.52	-	-	-	-	1,396.23	882.52
Ion Exchange Purified Drinking Water Pvt. Ltd.	-	0.53	-	-	-	-	-	0.53
Ion Exchange Safic Pty. Ltd., South Africa	858.33	190.42	-	-	-	-	858.33	190.42
Mapril - Produtos Químicos e Máquinas Para A Indústria, LDA, Portugal	4,577.77	2,652.97	-	-	-	-	4,577.77	2,652.97
PT Ion Exchange Asia Pacific, Indonesia	603.12	488.90	-	-	-	-	603.12	488.90
Aquanomics Systems Ltd.	-	-	2,565.82	2,260.85	-	-	2,565.82	2,260.85
Ion Exchange PSS Co. Ltd., Thailand	-	-	351.89 ##	383.14 ##	-	-	351.89 ##	383.14 ##
Total	**10,225.64**	**7,343.37**	**2,917.71**	**2,643.99**	**-**	**-**	**13,143.35**	**9,987.36**
Outstanding payables (Net of receivables) excluding loans and advances								
Ion Exchange Enviro Farms Ltd.	0.46	1.26	-	-	-	-	0.46	1.26
Total Water Management Services (India) Ltd.	2.79	2.79	-	-	-	-	2.79	2.79
Total	**3.25**	**4.05**	**-**	**-**	**-**	**-**	**3.25**	**4.05**
Outstanding Remunerations payables								
Mr. Rajesh Sharma	-	-	-	-	15.20	14.28	15.20	14.28
Mr. Indraneel Dutt	-	-	-	-	10.54	9.48	10.54	9.48
Total	**-**	**-**	**-**	**-**	**25.74**	**23.76**	**25.74**	**23.76**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. 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	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Outstanding Professional fees payable								
Mr. Dinesh Sharma	-	-	-	-	37.80	-	37.80	-
Mr. Aankur Patni	-	-	-	-	13.51	12.60	13.51	12.60
Total	**-**	**-**	**-**	**-**	**51.31**	**12.60**	**51.31**	**12.60**
Outstanding Commission payable to executive directors								
Mr. Rajesh Sharma	-	-	-	-	160.00	400.00	160.00	400.00
Mr. Indraneel Dutt	-	-	-	-	160.00	200.00	160.00	200.00
Total	**-**	**-**	**-**	**-**	**320.00**	**600.00**	**320.00**	**600.00**
Outstanding Commission payable to non-executive directors								
Mr. Dinesh Sharma	-	-	-	-	35.00	150.00	35.00	150.00
Mr. Aankur Patni	-	-	-	-	35.00	150.00	35.00	150.00
Mr. M. P. Patni	-	-	-	-	35.00	60.00	35.00	60.00
Mr. David Paul Rasquinha	-	-	-	-	35.00	60.00	35.00	60.00
Mr. Sanjay Joshi	-	-	-	-	35.00	60.00	35.00	60.00
Mrs. Alka Arora Misra	-	-	-	-	35.00	60.00	35.00	60.00
Mr. Amitava Guharoy	-	-	-	-	35.00	60.00	35.00	60.00
Mr. Gopalaraman Padmanabhan	-	-	-	-	35.00	60.00	35.00	60.00
Total	**-**	**-**	**-**	**-**	**280.00**	**660.00**	**280.00**	**660.00**
Investment in equity shares / debentures								
Aqua Investments (India) Ltd.	176.00	176.00	-	-	-	-	176.00	176.00
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	1,193.90	1,166.94	-	-	-	-	1,193.90	1,166.94
Ion Exchange Enviro Farms Ltd. ***	1,554.70	1,554.70	-	-	-	-	1,554.70	1,554.70
Ion Exchange Environment Management (BD) Ltd., Bangladesh	61.01	56.84	-	-	-	-	61.01	56.84
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	371.86	362.87	-	-	-	-	371.86	362.87

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. 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	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Investment in equity shares / debentures (contd…)								
Ion Exchange WTS (Bangladesh) Ltd., Bangladesh	2.45 @	2.45 @	-	-	-	-	2.45 @	2.45 @
Mapril - Produtos Químicos e Máquinas Para A Indústria, LDA, Portugal	2,475.26	2,392.86	-	-	-	-	2,475.26	2,392.86
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.	-	-	156.00	145.00	-	-	156.00	145.00
Ion Foundation	-	-	-	-	0.10	0.10	0.10	0.10
Total	**8,439.26**	**8,316.74**	**156.00**	**145.00**	**0.10**	**0.10**	**8,595.36**	**8,461.84**
Corporate guarantees (Outstanding)								
Ion Exchange Asia Pacific Pte. Ltd., Singapore	2,981.61	2,695.81	-	-	-	-	2,981.61	2,695.81
Ion Exchange Environment Management (BD) Ltd., Bangladesh	454.23	416.97	-	-	-	-	454.23	416.97
Ion Exchange Safic Pty. Ltd., South Africa	993.87	898.60	-	-	-	-	993.87	898.60
Mapril - Produtos Químicos e Máquinas Para A Indústria, LDA, Portugal	9,728.82	8,239.97	-	-	-	-	9,728.82	8,239.97
Aquanomics Systems Ltd.	-	-	1,100.00	1,100.00	-	-	1,100.00	1,100.00
Total	**14,158.53**	**12,251.35**	**1,100.00**	**1,100.00**	**-**	**-**	**15,258.53**	**13,351.35**

* Gross amount has been considered.
** Includes receivable on account of re-imbursement of expenses.
*** Includes INR 1,500.00 Lacs investment in debentures for both years.
@ Provision made for impairment INR 2.45 Lacs
# Provision made for expected credit loss for INR 597.28 Lacs (31st March 2025 INR 620.05 Lacs)
Provision made for expected credit loss for INR 137.91 Lacs (31st March 2025 INR 163.50 Lacs)
Provision made for expected credit loss for INR 654.00 Lacs (31st March 2025 INR Nil)

Note: The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. Related party disclosures (contd…)

II. Company has given letter for continuous financial support to its Subsidiaries - Ion Exchange Asia Pacific Pte. Ltd., Singapore, Ion Exchange Enviro Farms Ltd. 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:

Loans and advances in the nature of loans

INR in Lacs

Name of the related party	Relationship	As at 31st March 2026 INR in Lacs	Maximum balance in 2025-26 INR in Lacs	As at 31st March 2025 INR in Lacs	Maximum balance in 2024-25 INR in Lacs
Ion Exchange Asia Pacific (Thailand) Ltd., Thailand	100% Subsidiary	15.87	15.87	15.87	15.87
Ion Exchange Asia Pacific Pte. Ltd, Singapore	100% Subsidiary	298.08	324.80	279.09	279.09
Ion Exchange Enviro Farms Ltd. ###	Subsidiary	5,792.00	5,808.68	5,287.21	5,288.56
Ion Exchange Projects And Engineering Ltd.	Subsidiary	1,035.38	3,245.56	1,788.54	3,400.50
Ion Exchange Purified Drinking Water Pvt. Ltd.	100% Subsidiary	-	1.94	-	144.08
Total Water Management Services (India) Ltd.	Subsidiary	-	3.43	-	5.46

Provision made for impairment / expected credit loss for INR 654.00 Lacs (31st March 2025 INR Nil)

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 @ 10% p.a.

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 7 and 14.

(b) Details of loans given by the company and outstanding as at year end:

<table>
<tr><th>Name of the party</th><th>Relationship</th><th>Purpose</th><th>Terms</th><th>As at 31st March 2026 INR in Lacs</th><th>As at 31st March 2025 INR in Lacs</th></tr>
<tr><td>Ion Exchange Asia Pacific (Thailand) Ltd., Thailand</td><td>100% Subsidiary</td><td rowspan="4">For business purpose</td><td rowspan="4">Interest @ 10% p.a., Repayable on demand</td><td>15.87</td><td>15.87</td></tr>
<tr><td>Ion Exchange Asia Pacific Pte. Ltd, Singapore</td><td>100% Subsidiary</td><td>298.08</td><td>279.09</td></tr>
<tr><td>Ion Exchange Enviro Farms Ltd. ###</td><td>Subsidiary</td><td>5,792.00</td><td>5,287.21</td></tr>
<tr><td>Ion Exchange Projects And Engineering Ltd.</td><td>Subsidiary</td><td>1,035.38</td><td>1,788.54</td></tr>
</table>

Provision made for impairment / expected credit loss for INR 654.00 Lacs (31st March 2025 INR Nil)

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. Related party disclosures (contd…)

IV. Disclosure as per Section 186 of the Companies Act, 2013 (contd...)

(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 2026 INR in Lacs	As at 31st March 2025 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.	2,981.61	2,695.81
Ion Exchange Environment Management (BD) Ltd., Bangladesh	100% Subsidiary		454.23	416.97
Ion Exchange Safic Pty. Ltd., South Africa	Subsidiary		993.87	898.60
Mapril - Produtos Químicos e Máquinas Para A Indústria, LDA, Portugal	100% Subsidiary		9,728.82	8,239.97
Aquanomics Systems Ltd.	Associates		1,100.00	1,100.00

44. 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 31-Mar-2026		As at 31-Mar-2025	
	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 ###	7,141.33	100.00%	7,370.71	100.00%

Provision made for impairment / expected credit loss for INR 654.00 Lacs (31st March 2025 INR Nil)

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

45. (a) The company as at 31st March 2026, has an investment of INR 54.70 Lacs (31st March 2025: INR 54.70 Lacs) in equity shares and INR 1,500.00 Lacs (31st March 2025: 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 2026 loans and advances outstanding aggregating to INR 5,138.00 Lacs (Net of provision for expected credit loss INR 654.00 Lacs) [(31st March 2025: INR 5,287.21 Lacs (Net of provision for expected credit loss INR Nil)] to IEEFL. As at 31st March 2026, 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, 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, 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 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, IEEFL filed a fresh appeal at Securities Appellate Tribunal (SAT) on 9th February 2017 no (1) 40 0f 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. IEEFL thereafter filed a review petition before the SAT, Mumbai on 3rd December 2019 seeking correction of factual errors in the order. Additionally, based on the legal advice and pending final order from SAT on the review petition, IEEFL filed an appeal before the Hon’ble Supreme Court against SAT order on 18th February 2020. As the SAT hearing held on 19th March 2021, it was held that, there was no error apparent on the face of the record and accordingly, the review application was dismissed. Consequently, the appeal stood set aside against IEEFL. Further vide order No. 2853/2021 dated 6th December 2021, the Hon’ble Supreme Court granted liberty to IEEFL to approach Securities and Exchange Board of India and seek reconsideration of the matter by submitting additional material.

Pursuant to the above, IEEFL submitted a representation requesting reconsideration of the matter by filing additional documents through its advocates vide letter dated 2nd March 2022. Further SEBI, vide its letter dated 17th May 2022 made certain observations and has advised IEEFL to provide for additional comments / documents, which were duly submitted through their advocate vide letter dated 12th July 2022. Thereafter, SEBI appointed M/s. SKVM & Co as a forensic auditor to examine IEEFL’s documents and records and to submit a report. IEEFL furnished all required documents to the auditor. Further during the course of audit, queries raised by M/s. SKVM & Co. have been addressed by IEEFL through its counsel. Based on the report, submitted by the auditor to SEBI, SEBI has sought certain clarifications from IEEFL, which were provided. Subsequently, SEBI, vide its letter dated 16th May 2024 directed IEEFL to deposit an amount of INR 2,202 Lacs towards repayment to investors. IEEFL has represented to SEBI to reconsider the matter in line with audit findings. However, SEBI rejected the request vide email dated 7th August 2024. IEEFL has since filed an appeal before SAT, which was listed for hearing on 17th October 2024. During the hearing, the counsel for SEBI made a statement that SEBI will not initiate any recovery proceedings till the next date of hearing. The matter is currently pending, with the next hearing scheduled for 24th June 2026.

The management is of the opinion, that there is no diminution, other than temporary, in the value of investments and the loans and advances are fully recoverable and adequate provision has been provided.

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

45. (b) Further, book values of certain other long term investments in subsidiaries measured at cost, aggregating to INR 3,006.95 Lacs (31st March 2025: INR 2,979.99 Lacs) are lower than its cost. The company has also granted loans and advances to these subsidiaries aggregating INR 1,333.46 Lacs (31st March 2025: INR 2,067.63 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.

46. Capital expenditure incurred on research and development during the year is INR 85.83 Lacs (2024-25: INR 153.08 Lacs). Revenue expenditure of INR 1,266.59 Lacs (2024-25: INR 1,217.63 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	**2025-26**			**2024-25**		
	Location		**Total**	**Location**		**Total**
	Patancheru	**Vashi**		**Patancheru**	**Vashi**	
Capital expenditure	79.88	5.95	**85.83**	112.96	40.12	**153.08**
Revenue expenditure	664.16	602.43	**1,266.59**	698.81	518.82	**1,217.63**

47. 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:

Particulars	**31st March 2026 INR in Lacs**	**31st March 2025 INR in Lacs**
Within one year	186.79	171.53
After one year but not more than five years	273.06	429.09
More than five years	-	-

48. Right-of-use assets

The break-up of lease expenses during the year are as follows

Particulars	**Year ended 31st March 2026 INR in Lacs**	**Year ended 31st March 2025 INR in Lacs**
Short-term lease expense	470.43	206.69
Low value lease expense	-	-
Total lease expenses	**470.43**	**206.69**

The break-up of Cash outflow on leases during the year are as follows

Particulars	**Year ended 31st March 2026 INR in Lacs**	**Year ended 31st March 2025 INR in Lacs**
Repayment of lease liabilities	717.94	467.98
Interest on lease liabilities	199.41	158.03
Short-term lease expense	470.43	206.69
Low value lease expense	-	-
Total cash outflow on leases	**1,387.78**	**832.70**

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

48. Right-of-use assets (cond...)

The break-up of current and non-current lease liabilities are as follows

Particulars	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Current lease liabilities	968.66	462.37
Non-current lease liabilities	1,595.88	1,249.61
Total	**2,564.54**	**1,711.98**

The movement in lease liabilities during the year

Particulars	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Balance at the beginning	1,711.98	1,200.95
Additions	1,574.56	979.01
Finance cost accrued during the period	199.41	158.03
Deletions	(4.06)	-
Payment of lease liabilities	(917.35)	(626.01)
Balance at the end	**2,564.54**	**1,711.98**

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows

Particulars	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Less than one year	1,108.20	487.41
One to five year	1,501.20	1,047.51
More than five year	1,504.06	1,577.43
Total	**4,113.46**	**3,112.35**

49. Capital and other commitments

Estimated amount of contracts (net of advances) remaining to be executed on capital account not provided for is INR 7,774.26 Lacs (31st March 2025: INR 12,967.74 Lacs).

50. Contingent liabilities

Contingent liabilities not provided for:

(a) Guarantee given by the company on behalf of:

- i) Subsidiaries – INR 14,158.53 Lacs (31st March 2025: INR 12,251.35 Lacs)
- ii) Associates – INR 1,100.00 Lacs (31st March 2025: INR 1,100.00 Lacs)
- iii) Others – INR 38.88 Lacs (31st March 2025: INR 38.88 Lacs)

(b) Demand raised by authorities against which the company has filed an appeal.

- i) Income tax – INR Nil (31st March 2025: INR Nil)
- ii) Excise duty – INR 28.58 Lacs (31st March 2025: INR 28.58 Lacs)
- iii) Service tax – INR 499.36 Lacs (31st March 2025: INR 499.36 Lacs)
- iv) Sales tax / VAT – INR 609.05 Lacs (31st March 2025: INR 741.06 Lacs)
- v) GST – INR 1,440.55 Lacs (31st March 2025: INR 1,127.84 Lacs)

(c) Claims against the company arising in the course of business not acknowledged as debts (to the extent ascertainable) INR 2,102.37 Lacs (31st March 2025: INR 1,437.10 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 STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

51. 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 2026 INR in Lacs	31st March 2025 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	**11,695.42**	**5,669.99**
Interest due on above	245.37	74.99
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.	**476.23**	**230.86**
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.	-	-

52. Capital advance includes amount of INR Nil (31st March 2025: INR 25.33 Lacs) paid for acquiring furnished office premises at Hyderabad, the ownership of which was under legal dispute.

53. Corporate Social Responsibility expenses:

A. Gross amount required to be spent by the company during the year INR 530.87 Lacs (2024-25: INR 486.76 Lacs).

B. Amount approved by the committee to spent during the year INR 530.87 Lacs (2024-25: INR 486.76 Lacs).

C. Amount spent during the year ending 31st March 2026: **INR in Lacs**

		In cash	Yet to be paid in cash	Total
(i)	Construction / Acquisition of any assets	-	-	-
(ii)	Purpose other than (i) above	530.87	-	530.87
	Total	**530.87**	**-**	**530.87**

Amount spent during the year ending 31st March 2025: **INR in Lacs**

		In cash	Yet to be paid in cash	Total
(i)	Construction / Acquisition of any assets	-	-	-
(ii)	Purpose other than (i) above	486.76	-	486.76
	Total	**486.76**	**-**	**486.76**

D. Shortfall at the end of the year: INR Nil (31st March 2025: 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, Rural development, Skill development, sports.

G. Related party transaction in relation to Corporate Social Responsibility: INR 530.10 Lacs (2024-25: INR 472.42 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 (31st March 2025: INR Nil)

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

54. Ratio Analysis and its elements

Ratio	Numerator	Denominator	31 March 2026	31 March 2025	% change	Explanation to variance in ratio
Current ratio	Current Assets	Current Liabilities	1.49	1.50	(0.67%)	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.28	0.18	(55.56%)	Increase in borrowings in current year
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	7.28	16.06	(54.67%)	Increase in borrowings in current year
Return on Equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	10.40%	18.30%	(43.17%)	Reduction profit for the year
Inventory Turnover ratio	Cost of goods sold (including purchase of stock in trade, changes in inventories)	Average Inventory	5.60	7.61	(26.41%)	Increase in inventory
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	2.47	2.55	(3.14%)	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.40	2.43	(1.23%)	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	3.65	3.69	(1.08%)	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	5.17%	8.44%	(38.74%)	Reduction in profit for the year
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	11.74%	20.02%	(41.36%)	Reduction in profit for the year
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	6.74%	7.00%	(3.71%)	

55. Details of transactions with companies struck off

Name of the 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 2026 INR in Lacs	As at 31 March 2025 INR in Lacs	
Al Ashraf Bhani Construction Pvt. Ltd.	Payable	3.04	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	Not applicable
Steelmen Infratech Pvt. Ltd.	Payables	7.20	7.20	Not applicable
Untt Infratech Pvt. Ltd.	Payables	3.92	3.92	Not applicable
Haryana Organics Pvt. Ltd.	Receivables	3.48	3.48	Not applicable

NOTES TO STANDALONE FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

56. Other Statutory Information

(i) The company does not have any benami property, where any proceedings has been initiated or pending against the company for holding any benami property.

(ii) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The company has 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 has 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 company 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 does not have any such transaction which is not recorded in the books of account 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.

57. Events after reporting period

No material adjusting / Non adjusting subsequent event occurred after 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 2026 INR in Lacs	31st March 2025 INR in Lacs
Proposed dividends on equity shares		
For the year 2025-26 - INR 1.25 per share	1,833.33	-
For the year 2024-25 - INR 1.50 per share	-	2,200.00
Less: Dividend on treasury shares	(296.70)	(356.04)
	1,536.63	**1,843.96**

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.

As per our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

PALLAVI SHARMA
Partner
Membership No.: 113861

Place : Mumbai
Date : 26th May 2026

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

RAJESH SHARMA
Executive Chairman
DIN - 00515486

INDRANEEL DUTT
Managing Director & CEO
DIN - 01942447

M. P. PATNI
Director
DIN - 00515553

NIKISHA SOLANKI
Company Secretary
Membership No.: A50894

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 26th May 2026

Independent Auditors’ Report

To The Members of Ion Exchange (India) Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Ion Exchange (India) Limited (the “Parent”) and its subsidiaries, the Parent and its subsidiaries together referred to as the “Group” and the Group’s share of profit in its associates, which comprise the Consolidated Balance Sheet as at 31st March 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, in which are incorporated the financial statements the Trusts, for the year ended on that date, audited by the trust auditors.

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 trust auditors and other auditors on separate financial statements of the trusts, subsidiaries, and associates referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2026, their consolidated profit and their consolidated other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (“SA”s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibility 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 Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the trust auditors and other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 48 of the consolidated financial statements, which describes the matter reported by the auditors of Ion Exchange Enviro Farms Limited (IEEFL), a subsidiary company have mentioned an Emphasis of Matter in their audit report as stated below:

a. The Hon’ble Supreme Court of India dismissed the Company’s appeal against the order of the Securities Appellate Tribunal (SAT), which had directed the Company to refund monies to along with returns to wind up the scheme. Subsequently, the Company submitted relevant details to SEBI and initiated actions in accordance with those submissions. In December 2015, SEBI directed the company to pre deposit the amounts due to farm owners and to close the scheme. The Company has submitted that it would get discharge certificates from the balance farm owners within a period of two years from March 2016. As SEBI refused to accede to Company’s request, the Company filed 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. The appeal was admitted and heard from time to time. However, vide order dated 18th October 2019, SAT dismissed the appeal. The Company thereafter filed a Review Petition before SAT, Mumbai on 3rd December 2019 seeking correction of factual errors in the order. Additionally, based on legal advice and pending final order from SAT on the Review Petition, the Company filed an Appeal before the Hon’ble Supreme Court against SAT order on 18th February 2020. As the SAT hearing held on 19th March 2021, it was held that there was no error apparent on the face of the record, and accordingly, the review application was dismissed. Consequently, the appeal stood set aside against the Company. Further, vide Order No. 2853/2021 dated 6th December 2021, the Hon’ble Supreme Court granted liberty to the Company to approach Securities and Exchange Board of India and seek reconsideration of the matter by submitting additional material. Pursuant to the above, the

Company submitted a representation requesting reconsideration of the matter by filing additional documents through its advocates vide letter dated 2nd March 2022. Further SEBI, vide its letter dated 17th May 2022 made certain observations and has advised the Company to provide for additional comments and documents, which were duly submitted through their advocate vide letter dated 12th July 2022. Thereafter, SEBI appointed M/s. SKVM & Co. as a forensic auditor to examine the Company's documents and records and to submit a report. The Company furnished all required documents to the auditor. Further during the course of audit queries raised by M/s. SKVM & Co have been addressed by the company's through its counsel. Based on the report, submitted by the Auditor to SEBI, SEBI has sought Certain Clarifications from the Company, which were duly provided.

Subsequently, SEBI, vide its letter dated 16th May 2024 directed the company to deposit an amount of Rs. 2,202 lacs towards repayment to investors. IEEFL has represented SEBI to reconsider the matter in line with audit findings; however, SEBI rejected the request vide email dated 7th August 2024. The Company has since filed an appeal before SAT, which was listed for hearing on 17th October 2024.

During the hearing, counsel for SEBI made a statement that SEBI will not initiate any recovery proceedings till the next date of hearing. The matter is currently pending, with the next hearing scheduled for 24th June 2026.

b. Administrator's Appointment: SEBI, vide order dated 25th April 2019 issued under the SEBI (Appointment of Administrator and Procedure for Refunding of Investors) Regulations, 2018, appointed an Administrator for the purpose of selling the Company's land located at Goa (Quepem) and recovering the dues. However, the Company, vide its letter dated 30th April 2019, requested the Recovery Officer of SEBI to keep the proceedings in abeyance. In view of the subsequent developments outlined above, the said proceedings remain in abeyance and continue to be on hold as on date.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition – (Engineering Contracts)** (Refer Note 31 and 45 of the Consolidated Financial Statements). The Group recognises revenue on the basis of stage of completion in proportion of the contract costs incurred at reporting date, to the total estimated costs of the contract at completion. There are significant accounting judgements in estimating revenue to be recognised on contracts with customers, including estimation of costs to complete. Determination of total estimated cost involves significant estimates of costs pertaining to materials, sub-contracting and various other overheads. Cost contingencies are included in these estimates to take into account specific risks of uncertainties or disputed claims against the Group, arising within each contract. Accordingly, during the current year, the estimated cost to complete for revenue recognition has been evaluated as a key audit matter.	Principal audit procedures performed included the following: 1. Understood the process and controls around estimation process and derivation of estimated cost (cost to complete) of engineering contracts. 2. Tested design, implementation and operating effectiveness of internal financial controls addressing this risk. 3. Reviewed the Group's accounting policies with respect to accounting and revenue recognition relating to Engineering Contracts. 4. Obtained the listing of contracts active during the year and selected samples. For selected samples; We read the key contractual terms and milestones as per signed contracts and amendments, as applicable and tested revenue recognized in accordance with Ind AS as follows: i. Verified the approval of percentage of completion workings as well as approved budgeted cost and traced back the revenue recognition to general ledgers and financial statements.

Sr. No.	Key Audit Matter	Auditor's Response
		ii. Tested the Group's forecast of cost to completion, through comparison of costs incurred with project budgets, and executed purchase orders and agreements. Identified variations and tested significant variations resulting into re-estimating the remaining costs to complete the contract. iii. Inquired with the project and commercial departments about modifications to cost to complete and challenged rationale for modification. iv. Verified approvals for changes in estimated project costs during the year, if any and resultant margin revisions. v. Compared, on a sample basis, revenue recorded during the year with the underlying contracts, billing milestone, invoices raised on customers. Also, determination of onerous contracts, contract assets and unearned revenue for recognition in accordance with the Group's revenue recognition policies. vi. 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.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report and Management Discussion and Analysis Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The said reports are 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, compare with the financial statements of the subsidiaries and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associates, is traced from their financial statements audited by the other auditors.
- When we read the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent's Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies 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 the Group and its associates 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 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 Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the respective entities 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 either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibility 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 financial controls 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 Parent Company has adequate internal financial controls with reference to consolidated 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates 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 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 and jointly controlled entities/ joint ventures 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 information of the 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 of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the entities or business activities included in the consolidated financial statements, which have been audited by the 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent 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 financial controls 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 seventy seven trusts included in the standalone financial statements of the companies included in the Group whose financial statements reflect total assets of Rs. 5,257.52 lacs as at 31st March 2026 and total revenue of Rs.467.90 lacs for the year ended on that date, as considered in the standalone financial statements of the companies included in the Group. The financial statements of these trusts have been audited by the trusts 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 these trusts and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid trusts, is based solely on the report of such trust auditors.

(b) We did not audit the financial statements of fourteen subsidiaries, whose financial statements reflect total assets of Rs.47,990.48 lacs as at 31st March, 2026, total revenues of Rs.38,125.47 lacs and net cash inflows amounting to Rs. 1,019.74 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 171.07 lacs for the year ended 31st March, 2026, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements 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 subsidiaries, and associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and associates is based solely on the reports of the other auditors.

(c) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs.2,195.86 lacs as at 31st March, 2026, total revenues of Rs.1,988.07 lacs and net cash inflows amounting to Rs.91.54 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and 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, 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 above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and associates referred to in the Other Matters section above 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 and including relevant records so far as it appears from our examination of those books, and the reports of the other auditors, except for not complying with the requirement of audit trail as stated in paragraph (i)(vi) below.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2026 taken on record by the Board of Directors of the Company and the reports of the 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 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith is as stated in paragraph 1(b) above.

   g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors’ reports of the Parent, subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies

   h) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor’s reports of subsidiary companies and associate companies incorporated in India, the remuneration paid by the Parent Company and such subsidiary companies and associate companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

   i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates - Refer Note 55 to the consolidated financial statements.

      ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiaries and associate companies incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiaries and associates, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates that, to the best of their knowledge and belief, as disclosed in the note 66(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 Parent or any of such subsidiaries and associates 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 Parent or any of such subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, as disclosed in the note 66(v) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries and associates from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and associates shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 69 to the consolidated financial statements, the Board of Directors of the Parent and its subsidiaries and associates which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent and such subsidiaries and associates at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination which included test checks and those performed by the respective auditors of the subsidiaries and associates incorporated in India and based on the other auditor's reports of these subsidiary companies, and associate companies incorporated in India whose financial statements have been audited under the Act, the Parent, its subsidiary companies and associate companies incorporated in India have used accounting software system for maintaining their respective books of account for the financial year ended 31st March 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except for impact, if any in case of Parent, on account of inadequate monitoring of privileged user activity during and post system migration.

Further, during the course of our audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was operating and the audit trail has been preserved by the Parent and above referred subsidiary and associate companies incorporated in India per the statutory requirements for record retention.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Ion Exchange (India) Limited	L74999MH1964PLC014258	Parent	3(i)(c)
Ion Exchange Enviro Farms Ltd	U01110MH1995PLC091478	Subsidiary	3(xvii); 3(xix)
Ion Exchange Projects And Engineering Limited	U74200MH2011PLC216024	Subsidiary	3(xvii)

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Pallavi Sharma
(Partner)
Membership No. 113861
UDIN : 26113861LSAFJJ7504

Place: Mumbai
Date: 26th May, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended 31st March, 2026, we have audited the internal financial controls with reference to consolidated financial statements of Ion Exchange (India) Limited (hereinafter referred to as "the "Parent") and its subsidiary companies, which includes internal financial controls with reference to consolidated financial statements of the Company's subsidiaries and its associate companies, which are companies incorporated in India, as of that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's management and Board of Directors of the Parent, its subsidiary companies and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 (ICAI). 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its associate companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated 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 consolidated financial statements was 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 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 subsidiary companies, and associate companies, which are companies incorporated in India, 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 consolidated financial statements of the Parent, its subsidiary companies and its associate companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated 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 control with reference to consolidated financial statements includes 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 consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion 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 referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March, 2026, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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.

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 in so far as it relates to six subsidiary companies and two associate companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm‘s Registration No. 117366W/W-100018)

Pallavi Sharma
(Partner)
Membership No. 113861
UDIN : 26113861LSAFJJ7504

Place: Mumbai
Date: 26th May, 2026

CONSOLIDATED BALANCE SHEET as at 31st March 2026

	Notes	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	68,530.48	32,795.60
(b) Right-of-use assets	5	4,439.21	3,941.23
(c) Capital work-in-progress	6	17,469.91	31,779.17
(d) Goodwill	61	1,020.62	1,020.62
(e) Other intangible assets	7	1,311.24	1,467.42
(f) Intangible assets under development	8	92.76	563.10
(g) Investment accounted using equity method	9	846.93	684.10
(h) Financial assets			
(i) Investments	10	675.35	594.00
(ii) Trade receivables	11	28.27	72.26
(iii) Loans	12	-	-
(iv) Other financial assets	13	1,753.60	1,542.41
(i) Deferred tax assets (Net)	14	1,438.72	768.85
(j) Non current tax assets (Net)	15	255.59	74.80
(k) Other non current assets	16	4,458.43	5,362.35
Total non-current assets		**102,321.11**	**80,665.91**
Current assets			
(a) Inventories	17	44,138.60	29,898.69
(b) Financial assets			
(i) Investments	18	60.42	40.85
(ii) Trade receivables	11	107,469.34	110,737.35
(iii) Cash and cash equivalents	19	18,456.37	14,929.06
(iv) Bank balances other than (iii) above	20	13,410.53	31,651.19
(v) Loans	12	661.27	533.73
(vi) Other financial assets	13	787.71	1,324.93
(c) Current tax assets (Net)	15	219.81	53.01
(d) Other current assets	16	50,467.97	28,857.75
Total current assets		**235,672.02**	**218,026.56**
Total assets		**337,993.13**	**298,692.47**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	21	1,422.88	1,422.88
(b) Other equity	22	132,479.62	119,364.60
Equity attributable to owners		**133,902.50**	**120,787.48**
Non controlling interests		**128.78**	**161.09**
Total equity		**134,031.28**	**120,948.57**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	35,757.59	25,205.73
(ii) Lease liabilities		1,713.06	1,429.74
(iii) Other financial liabilities	24	1,246.03	1,336.59
(b) Provisions	25	3,024.46	2,077.30
(c) Deferred tax liabilities (Net)	14	877.56	879.57
Total non-current liabilities		**42,618.70**	**30,928.93**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	26	9,682.74	5,095.55
(ii) Lease liabilities		1,065.24	528.74
(iii) Trade payables	27		
- Total outstanding dues of micro and small enterprises		12,277.80	6,010.83
- Total outstanding dues of creditors other than micro and small enterprises		77,689.51	71,887.35
(iv) Other financial liabilities	28	8,800.23	9,438.55
(b) Other current liabilities	29	48,183.94	51,998.12
(c) Provisions	25	2,795.28	779.56
(d) Current tax liabilities (Net)	30	848.41	1,076.27
Total current liabilities		**161,343.15**	**146,814.97**
Total liabilities		**203,961.85**	**177,743.90**
Total equity and liabilities		**337,993.13**	**298,692.47**
Material accounting policies	3		
The accompanying notes are an integral part of the financial statements			

As per our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

PALLAVI SHARMA
Partner
Membership No.: 113861

RAJESH SHARMA
Executive Chairman
DIN - 00515486

INDRANEEL DUTT
Managing Director & CEO
DIN - 01942447

M. P. PATNI
Director
DIN - 00515553

NIKISHA SOLANKI
Company Secretary
Membership No.: A50894

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 26th May 2026

Place : Mumbai
Date : 26th May 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2026

	Notes	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Income			
Revenue from operations	31	291,484.13	273,710.84
Other income	32	8,656.34	4,860.82
Total Income (I)		**300,140.47**	**278,571.66**
Expenses			
Cost of materials consumed	33	179,274.73	163,554.11
Purchase of stock-in-trade	34	14,623.87	10,781.12
Changes in inventories of finished goods, work-in-progress and stock-in-trade	35	(8,541.40)	(1,793.66)
Employee benefits expense	36	41,455.73	34,153.35
Finance costs	37	2,400.24	1,345.56
Depreciation and amortisation expense	38	6,260.25	4,448.94
Other expenses	39	43,655.48	37,635.00
Total expenses (II)		**279,128.90**	**250,124.42**
Profit before exceptional item and tax (I - II)		**21,011.57**	**28,447.24**
Exceptional item			
Less: Impact of labour code		1,689.04	-
Profit before tax, before share of profit / (loss) of associates		**19,322.53**	**28,447.24**
Add: Share of profit / (loss) of associates (net of income tax)		171.07	100.48
Profit from operations before income tax		**19,493.60**	**28,547.72**
Tax expense	40		
Current tax		5,892.18	7,687.61
Deferred tax charge / (credit)	14	(718.60)	34.63
Total tax expense		**5,173.58**	**7,722.24**
Profit after tax (III)		**14,320.02**	**20,825.48**
Other Comprehensive Income	41		
Items that will not be reclassified to profit or loss			
(a) Remeasurement benefit of defined benefit plans		(123.32)	(33.77)
(b) Income tax expense on remeasurement benefit of defined benefit plans		20.28	2.88
(c) Share of Other Comprehensive Income in associates		0.97	(29.25)
Items that will be reclassified to profit or loss			
Movement in foreign currency translation reserve		801.00	77.46
Other Comprehensive Income / (Loss) (IV)		**698.93**	**17.32**
Total Comprehensive Income (III + IV)		**15,018.95**	**20,842.80**
Profit attributable to:			
Owners of the company		14,266.35	20,781.66
Non-controlling interests		53.67	43.82
Profit for the year		**14,320.02**	**20,825.48**
Other Comprehensive Income attributable to :			
Owners of the company		626.95	(6.57)
Non-controlling interests		71.98	23.89
Other Comprehensive Income for the year		**698.93**	**17.32**
Total Comprehensive Income attributable to :			
Owners of the company		14,893.30	20,775.09
Non-controlling interests		125.65	67.71
Total Comprehensive Income for the year		**15,018.95**	**20,842.80**
Earnings per equity share [Nominal value of share INR 1]	42		
Basic (in INR)		12.034	17.530
Diluted (in INR)		12.034	17.530
Material accounting policies	3		
The accompanying notes are an integral part of the financial statements			

As per our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

PALLAVI SHARMA
Partner
Membership No.: 113861

RAJESH SHARMA
Executive Chairman
DIN - 00515486

INDRANEEL DUTT
Managing Director & CEO
DIN - 01942447

M. P. PATNI
Director
DIN - 00515553

NIKISHA SOLANKI
Company Secretary
Membership No.: A50894

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 26th May 2026

Place : Mumbai
Date : 26th May 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March 2026

A. Equity share capital

	Year ended 31st March 2026		Year ended 31st March 2025	
	Number of equity shares	INR in Lacs	Number of equity shares	INR in Lacs
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year *	142,287,850	1,422.88	142,287,850	1,422.88
Add: Equity 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**	**142,287,850**	**1,422.88**

* Issued, subscribed and fully paid-up equity shares are net of elimination of shares held by subsidiaries.

B. Other equity (Refer note 22)

	Attributable to owners									Attributable to Non-controlling interest	Total
	Reserves and Surplus						Other Comprehensive Income Foreign currency translation reserve	Treasury Shares	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
Balance as at 1st April 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**
Profit / (Loss) for the year (a)	-	-	-	-	-	20,781.66	-	-	20,781.66	43.82	20,825.48
Other Comprehensive Income (b)	-	-	-	-	-	(60.14)	53.57	-	(6.57)	23.89	17.32
Total Comprehensive Income for the year (a+b)	-	-	-	-	-	20,721.52	53.57	-	20,775.09	67.71	20,842.80
Dividend paid	-	-	-	-	-	(1,778.28)	-	-	(1,778.28)	(96.58)	(1,874.86)
Balance as at 31st March 2025	**8,334.84**	**22.17**	**2,719.79**	**151.54**	**257.48**	**110,267.42**	**424.00**	**(2,812.64)**	**119,364.60**	**161.09**	**119,525.69**
Balance as at 1st April 2025	**8,334.84**	**22.17**	**2,719.79**	**151.54**	**257.48**	**110,267.42**	**424.00**	**(2,812.64)**	**119,364.60**	**161.09**	**119,525.69**
Profit / (Loss) for the year (c)	-	-	-	-	-	14,266.35	-	-	14,266.35	53.67	14,320.02
Other Comprehensive Income (d)	-	-	-	-	-	(102.07)	729.02	-	626.95	71.98	698.93
Total Comprehensive Income for the year (c+d)	-	-	-	-	-	14,164.28	729.02	-	14,893.30	125.65	15,018.95
Dividend paid	-	-	-	-	-	(1,778.28)	-	-	(1,778.28)	(157.96)	(1,936.24)
Balance as at 31st March 2026	**8,334.84**	**22.17**	**2,719.79**	**151.54**	**257.48**	**122,653.42**	**1,153.02**	**(2,812.64)**	**132,479.62**	**128.78**	**132,608.40**

As per our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

PALLAVI SHARMA
Partner
Membership No.: 113861

Place : Mumbai
Date : 26th May 2026

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

RAJESH SHARMA
Executive Chairman
DIN - 00515486

INDRANEEL DUTT
Managing Director & CEO
DIN - 01942447

M. P. PATNI
Director
DIN - 00515553

NIKISHA SOLANKI
Company Secretary
Membership No.: A50894

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 26th May 2026

CONSOLIDATED STATEMENT OF CASH FLOW for the year ended 31st March 2026

		Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
A. Cash flow from operating activities:			
Profit before tax, before share of profit / (loss) of associates		**19,322.53**	**28,447.24**
Adjustment to reconcile profit before tax to net cash flows:			
Depreciation and amortization expense		6,260.25	4,448.94
Profit on property, plant and equipment sold / discarded (Net)		(159.48)	(38.24)
Finance cost		2,400.24	1,345.56
Dividend income		(15.19)	(6.01)
Interest income		(2,121.85)	(3,599.07)
Expected credit loss on financial assets		996.51	27.71
Change in fair value of investments		(19.57)	12.76
Unrealised exchange loss / (gain) (Net)		(2,556.61)	13.89
Operating profit before working capital changes		**24,106.83**	**30,652.78**
Movements in working capital:			
(Increase) / Decrease in inventories		(14,239.91)	(6,245.00)
(Increase) / Decrease in trade receivables		3,892.98	(19,514.95)
(Increase) / Decrease in other assets		(21,800.56)	(9,461.34)
(Increase) / Decrease in other financial assets		(241.45)	24.12
(Decrease) / Increase in trade payables		11,559.46	8,185.52
(Decrease) / Increase in other financial liabilities		1,318.25	855.06
(Decrease) / Increase in other current liabilities		(3,814.18)	6,520.19
(Decrease) / Increase in provisions		2,839.56	(628.61)
Cash generated from operations		**3,620.98**	**10,387.77**
Taxes paid (Net)		(6,467.63)	(7,183.18)
Net cash (used in) / generated from operating activities	**(A)**	**(2,846.65)**	**3,204.59**
B. Cash flow from investing activities:			
Purchase of property, plant and equipment		(25,413.63)	(32,039.47)
Proceeds from sale of property, plant and equipment		300.40	129.93
Investments made in others		(81.35)	(48.74)
Deferred payment / payment on acquisition of subsidiary		(201.48)	(178.66)
Bank deposit made during the year (with maturity more than three months)		(47,854.33)	(102,199.99)
Bank deposit matured during the year (with maturity more than three months)		66,099.61	113,986.34
Dividend received		15.19	6.01
Interest received		2,689.33	3,887.71
Net cash used in investing activities	**(B)**	**(4,446.26)**	**(16,456.87)**
C. Cash flow from financing activities:			
Repayment of borrowings		(771.21)	(1,969.25)
Proceeds from borrowings		15,223.79	18,110.84
Borrowings - Current (Net)		686.47	401.64
Payment of lease liability		(991.34)	(711.95)
Dividend paid		(1,936.25)	(1,874.86)
Finance cost		(2,199.95)	(1,135.62)
Net cash generated financing activities	**(C)**	**10,011.51**	**12,820.80**
Net Increase / (Decrease) in cash and cash equivalents	**(A)+(B)+(C)**	**2,718.60**	**(431.48)**
Effect of exchange difference on cash and cash equivalent held in foreign currency		**808.71**	**(3.13)**
Cash and cash equivalents as at the beginning of the year		**14,929.06**	**15,363.67**
Cash and cash equivalents as at the end of the year		**18,456.37**	**14,929.06**

CONSOLIDATED STATEMENT OF CASH FLOW for the year ended 31st March 2026 (contd...)

Notes:

1 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.

2 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, capital advances and capital creditors during the year for property, plant and equipment.

3. Changes in liabilities arising from financing activities

Particulars	As at 1st April 2025 INR in Lacs	2025-26 Net Cash inflow INR in Lacs	As at 31st March 2026 INR in Lacs
Borrowings (Non current and current)	30,301.28	15,139.05	45,440.33
	30,301.28	**15,139.05**	**45,440.33**

Particulars	As at 1st April 2024 INR in Lacs	2024-25 Net Cash inflow INR in Lacs	As at 31st March 2025 INR in Lacs
Borrowings (Non-current and current)	13,758.05	16,543.23	30,301.28
	13,758.05	**16,543.23**	**30,301.28**

As per our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

PALLAVI SHARMA
Partner
Membership No.: 113861

Place : Mumbai
Date : 26th May 2026

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

RAJESH SHARMA
Executive Chairman
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Company Secretary
Membership No.: A50894

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 26th May 2026

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026

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 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 Non-controlling interest are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

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 2026.

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 2026	31st March 2025
Aqua Investments (India) Limited	India	99.42	99.42
Watercare Investments (India) Limited	India	99.43	99.43
Ion Exchange Enviro Farms Limited	India	79.60	79.60
Ion Exchange Asia Pacific Pte. Limited	Singapore	100.00	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 2026 (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 2026	31st March 2025
Ion Exchange WTS (Bangladesh) Limited	Bangladesh	100.00	100.00
Ion Exchange Projects And Engineering Limited	India	99.58	99.58
Total Water Management Services (India) 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 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	Portugal	100.00	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 2026	31st March 2025
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.

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 26th May 2026.

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).

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

3. Material accounting policies (contd…)

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 to the carrying amounts of assets and liabilities within the next financial year.

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.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

3. Material accounting policies (contd…)

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.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

3. Material accounting policies (contd…)

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.

A. Financial assets

(i) Initial recognition and measurement

Financial assets other than trade receivables 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 and other receivables, loans, cash and bank balances and derivative financial instruments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

3. Material accounting policies (contd…)

3.15 Financial instruments (contd…)

(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.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

3. Material accounting policies (contd…)

3.15 Financial instruments (contd…)

(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

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

3. Material accounting policies (contd…)

3.17 Revenue recognition (contd…)

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.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

3. Material accounting policies (contd…)

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 measured on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets / liabilities 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.

For calculating the weighted average number of equity shares outstanding, 23,689,390 (2024-25: 23,689,390) equity shares and 46,750 (2024-25: 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 Executive Chairman / Managing Director & CEO 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.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

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:

<u>Where the group is the lessor</u>

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.

<u>Where the group the lessee</u>

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 rate implicit in the lease. If this rate cannot be readily determined then the group’s incremental borrowing rate is used. 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.

The company pays / distributes dividend after deducting applicable taxes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

3. Material accounting policies (contd…)

3.27 Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") has notified amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. This notification has resulted into amendment in the following existing accounting standard.

Ind AS 1- Presentation of Financial Statements:

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.

Ind AS 7- Statement of Cash Flows:

The amendments requires to inform users of the financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates.

Ind AS 107- Financial Instruments Disclosures:

The amendments to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

Ind AS 12 – Income Taxes:

The amendments to the Pillar Model Rules introduce a temporary mandatory exemption from deferred tax accounting for top-up taxes and require companies to disclose their use of this exemption. This relief takes effect immediately and applies retrospectively. In addition; the amendments mandate new disclosures to compensate for any potential loss of information resulting from the exemption.

Ind AS 21 - The Effects of Changes in Foreign Exchange Rates:

The amendments provide guidance on determining exchangeability between currencies and estimating spot rates when a currency is not exchangeable.

The group has evaluated the amendments and there is no material impact on its Financial Statement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (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 2025	3,997.35	377.50	9,780.83	5,280.38	23,309.48	1,306.08	1,182.85	3,935.40	49,169.87
Additions during the year	-	461.37	486.57	10,124.75	26,918.82	190.65	508.43	506.58	39,197.17
Less: Disposal during the year	-	-	144.46	-	5.91	3.65	39.34	17.72	211.08
Exchange gain / (loss)	655.81	-	554.83	1.11	312.18	6.14	79.70	44.34	1,654.11
As at 31st March 2026	**4,653.16**	**838.87**	**10,677.77**	**15,406.24**	**50,534.57**	**1,499.22**	**1,731.64**	**4,468.60**	**89,810.07**
Depreciation / Amortisation									
As at 1st April 2025	-	130.98	1,087.15	1,284.44	10,201.89	632.55	705.91	2,331.35	16,374.27
Depreciation during the year	-	62.63	306.72	363.46	3,192.60	117.63	220.53	566.72	4,830.29
Less: Depreciation on disposal during the year	-	-	22.75	-	2.78	3.65	28.83	16.34	74.35
Exchange gain / (loss)	-	-	34.41	0.78	47.23	5.70	43.81	17.45	149.38
As at 31st March 2026	**-**	**193.61**	**1,405.53**	**1,648.68**	**13,438.94**	**752.23**	**941.42**	**2,899.18**	**21,279.59**
Net carrying value as at 31st March 2026	**4,653.16**	**645.26**	**9,272.24**	**13,757.56**	**37,095.63**	**746.99**	**790.22**	**1,569.42**	**68,530.48**
Gross block									
As at 1st April 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
Additions during the year	-	-	2,041.53	358.46	2,243.65	125.79	156.69	801.32	5,727.44
Less: Disposal during the year	-	6.51	23.64	23.46	178.41	8.92	61.42	73.36	375.72
Exchange gain / (loss)	82.82	-	70.07	(1.00)	39.90	1.68	17.94	4.54	215.95
As at 31st March 2025	**3,997.35**	**377.50**	**9,780.83**	**5,280.38**	**23,309.48**	**1,306.08**	**1,182.85**	**3,935.40**	**49,169.87**
Depreciation / Amortisation									
As at 1st April 2024	-	102.73	828.58	1,074.78	8,371.72	532.10	614.46	1,897.79	13,422.16
Depreciation during the year	-	34.76	263.19	215.35	1,959.13	107.26	130.37	505.96	3,216.02
Less: Depreciation on disposal during the year	-	6.51	4.14	5.03	134.69	8.55	52.43	72.68	284.03
Exchange gain / (loss)	-	-	(0.48)	(0.66)	5.73	1.74	13.51	0.28	20.12
As at 31st March 2025	**-**	**130.98**	**1,087.15**	**1,284.44**	**10,201.89**	**632.55**	**705.91**	**2,331.35**	**16,374.27**
Net carrying value as at 31st March 2025	**3,997.35**	**246.52**	**8,693.68**	**3,995.94**	**13,107.59**	**673.53**	**476.94**	**1,604.05**	**32,795.60**

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 parent company.

Gross book value INR 27.44 Lacs (31st March 2025: INR 27.44 Lacs)

b) Buildings on freehold land includes residential flats, the cost of which includes:

- INR 250 (31st March 2025: 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 2025: 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 2025: INR 41.15 Lacs)

Net book value INR 30.77 Lacs (31st March 2025: INR 31.81 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 2025: INR Nil)

Net book value INR Nil (31st March 2025: INR Nil)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

4. Property, plant and equipment (contd...)

e) Buildings on freehold land includes office premises given on operating lease :

Deemed gross book value INR 83.76 Lacs (31st March 2025: INR 83.76 Lacs)

Accumulated depreciation INR 18.21 Lacs (31st March 2025: INR 16.40 Lacs)

Depreciation for the year INR 1.81 Lacs (2024-25: INR 1.85 Lacs)

Net book value INR 65.55 Lacs (31st March 2025: INR 67.36 Lacs)

f) Addition to Property, plant and equipment includes amount of INR 85.83 Lacs (2024-25: INR 153.08 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 23 and note 26.

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 2025	1,874.86	2,610.96	3,158.71	9.18	208.73	7,862.44
Additions during the year	-	1,574.56	-	-	-	1,574.56
Less: Disposal during the year	-	412.11	-	-	-	412.11
Exchange gain / (loss)	-	76.50	0.96	-	-	77.46
As at 31st March 2026	**1,874.86**	**3,849.91**	**3,159.67**	**9.18**	**208.73**	**9,102.35**
Depreciation / Amortisation						
As at 1st April 2025	163.96	1,000.84	2,566.20	5.08	185.13	3,921.21
Depreciation during the year	45.25	769.63	288.99	1.15	-	1,105.02
Less: Depreciation on disposal during the year	-	408.07	-	-	-	408.07
Exchange gain / (loss)	-	44.02	0.96	-	-	44.98
As at 31st March 2026	**209.21**	**1,406.42**	**2,856.15**	**6.23**	**185.13**	**4,663.14**
Net carrying value as at 31st March 2026	**1,665.65**	**2,443.49**	**303.52**	**2.95**	**23.60**	**4,439.21**
Gross block						
As at 1st April 2024	1,835.07	1,703.58	3,158.46	9.18	208.73	6,915.02
Additions during the year	39.79	979.01	-	-	-	1,018.80
Less: Disposal during the year	-	88.15	-	-	-	88.15
Exchange gain / (loss)	-	16.52	0.25	-	-	16.77
As at 31st March 2025	**1,874.86**	**2,610.96**	**3,158.71**	**9.18**	**208.73**	**7,862.44**
Depreciation / Amortisation						
As at 1st April 2024	129.86	550.87	2,214.01	3.93	185.13	3,083.80
Depreciation during the year	34.10	535.08	351.95	1.15	-	922.28
Less: Depreciation on disposal during the year	-	88.15	-	-	-	88.15
Exchange gain / (loss)	-	3.04	0.24	-	-	3.28
As at 31st March 2025	**163.96**	**1,000.84**	**2,566.20**	**5.08**	**185.13**	**3,921.21**
Net carrying value as at 31st March 2025	**1,710.90**	**1,610.12**	**592.51**	**4.10**	**23.60**	**3,941.23**

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 6 years.

b) All the leases are registered in the name of the company / group.

c) Refer note 53 related to Right-of-use assets

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

6. Capital work-in-progress

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
As at 1st April	31,779.17	6,067.95
Additions during the year	24,553.70	29,623.66
Capitalisation / deductions during the year *	(38,862.96)	(3,912.44)
As at 31st March	**17,469.91**	**31,779.17**

* includes an amount of Rs.766.31 Lacs transferred in year 2024-25 to capital advance relating to land

Capital work in progress ageing schedule

As at 31st March 2026

	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	7,360.70	9,439.11	479.97	190.13	17,469.91
Projects temporarily suspended	-	-	-	-	-
	7,360.70	**9,439.11**	**479.97**	**190.13**	**17,469.91**

As at 31st March 2025

	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	28,069.49	3,369.59	302.57	37.52	31,779.17
Projects temporarily suspended	-	-	-	-	-
	28,069.49	**3,369.59**	**302.57**	**37.52**	**31,779.17**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

7. Other intangible assets

INR in Lacs

	Computer Software	Technology/ License	Customer Portfolio	Total
Gross block				
As at 1st April 2025	983.42	864.02	396.99	2,244.43
Additions during the year	104.74	-	-	104.74
Less: Disposals during the year	0.18	-	-	0.18
Exchange gain / (loss)	0.37	-	71.73	72.10
As at 31st March 2026	**1,088.35**	**864.02**	**468.72**	**2,421.09**
Amortisation				
As at 1st April 2025	569.48	172.80	34.73	777.01
Amortisation during the year	129.98	172.93	22.03	324.94
Less: Eliminated on disposals during the year	0.03	-	-	0.03
Exchange gain / (loss)	0.24	-	7.69	7.93
As at 31st March 2026	**699.67**	**345.73**	**64.45**	**1,109.85**
Net carrying value as at 31st March 2026	**388.68**	**518.29**	**404.27**	**1,311.24**
Gross block				
As at 1st April 2024	840.12	864.02	385.66	2,089.80
Additions during the year	145.50	-	-	145.50
Less: Disposals during the year	2.28	-	-	2.28
Exchange gain / (loss)	0.08	-	11.33	11.41
As at 31st March 2025	**983.42**	**864.02**	**396.99**	**2,244.43**
Amortisation				
As at 1st April 2024	453.40	-	14.50	467.90
Amortisation during the year	118.33	172.80	19.51	310.64
Less: Eliminated on disposals during the year	2.28	-	-	2.28
Exchange gain / (loss)	0.03	-	0.72	0.75
As at 31st March 2025	**569.48**	**172.80**	**34.73**	**777.01**
Net carrying value as at 31st March 2025	**413.94**	**691.22**	**362.26**	**1,467.42**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

8. Intangible assets under development

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
As at 1st April	563.10	-
Additions during the year	487.77	563.10
Capitalisation / deductions during the year	(958.11)	-
As at 31st March	**92.76**	**563.10**

Intangible assets under development ageing schedule

As at 31st March 2026

	Amount in Intangible assets under development 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	66.84	25.92	-	-	92.76
Projects temporarily suspended	-	-	-	-	-
	66.84	**25.92**	**-**	**-**	**92.76**

As at 31st March 2025

	Amount in Intangible assets under development 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	563.10	-	-	-	563.10
Projects temporarily suspended	-	-	-	-	-
	563.10	**-**	**-**	**-**	**563.10**

9. Investment accounted using equity method

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Equity shares of associates		
Unquoted, fully paid-up		
460,000 (31st March 2025: 460,000) equity shares of INR 10 each, fully paid-up in Aquanomics Systems Limited	844.96	683.38
2,450 (31st March 2025: 2,450) equity shares of INR 10 each, fully paid-up in Ion Exchange Financials Products Private Limited	1.97	0.72
14,700 (31st March 2025: 14,700) equity shares of THB 100 each, fully paid-up in Ion Exchange PSS Co. Limited	-	-
	846.93	**684.10**
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	846.93	684.10

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

10. Non-current investments

		As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Measured at fair value through profit and loss in equity shares of others			
Unquoted, fully paid-up			
6,000 (31st March 2025: 6,000) equity shares of INR 10 each, fully paid-up in IEK Plastics Limited		-	-
113 (31st March 2025: 113) equity shares of INR 10 each, fully paid-up in Patancheru Enviro-tech Limited		0.01	0.01
10,500 (31st March 2025: 10,500) equity shares of INR 10 each, fully paid-up in Bharuch Enviro Infrastructure Limited		1.05	1.05
352,500 (31st March 2025: 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 2025: 121,518) equity shares of INR 10 each, fully paid-up in GPCL Consulting Services Limited		49.95	49.95
1,000 (31st March 2025: 1,000) equity shares of INR 10 each, fully paid-up in Ion Foundation		0.10	0.10
22,000 (31st March 2025: 22,000) equity shares of INR 10 each, fully paid-up in Haldia Water Services Pvt. Ltd. (Refer note below)		2.20	2.20
7,143 (31st March 2025: 7,143) equity shares of INR 10 each, fully paid-up in Water Quality India Association		0.71	0.71
750 (31st March 2025: 750) equity shares of INR 10 each, fully paid-up in Process Automation Engineering		-	-
100 (31st March 2025: 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 2025: 9,999) equity shares of INR 10 each, fully paid-up in The Thane Janta Sahakari Bank Ltd.		5.00	5.00
20,000 (31st March 2025: 20,000) equity shares of EUR 1 each, fully paid-up in Norgarante - Sociedade De Garantia Mútua S.A.		21.80	18.46
15,000 (31st March 2025: 15,000) equity shares of EUR 1 each, fully paid-up in Garval - Sociedade de Garantia Mútua, S.A.		16.36	13.85
	(A)	**132.46**	**126.61**
Measured at amortised cost in preference shares of others			
Unquoted, fully paid-up			
75,000 (31st March 2025: 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 at amortised cost			
6.5% Bond of Sultante of Oman (Nominal Value USD 500,000)		542.39	466.89
	(C)	**542.39**	**466.89**
Total non current investments	**(A+B+C)**	**675.35**	**594.00**
Aggregate amount of quoted investments		-	-
Aggregate amount of unquoted investments		675.35	594.00

Note

11,000 equity shares of Haldia Water Services Pvt. Ltd. pledged to the NBFC satisfied during the year 2024-25

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

11. Trade receivables

	Non-current		Current	
	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Trade receivables				
(a) Unsecured, considered good	28.27	72.26	110,259.74	112,919.79
(b) Unsecured, have significant increase in credit risk	-	-	-	-
(c) Unsecured, credit impaired	9.26	9.26	-	-
	37.53	81.52	110,259.74	112,919.79
Less: Loss allowances	9.26	9.26	2,790.40	2,182.44
	28.27	**72.26**	**107,469.34**	**110,737.35**

Note : Refer note 47 for trade receivables from related parties.

Trade receivables ageing schedule
As at 31 March 2026

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
Undisputed trade receivables - considered good	62,564.16	25,891.07	6,541.79	8,239.96	3,407.78	3,614.98	110,259.74
Undisputed trade receivables - considered good have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	0.26	-	28.01	28.27
Disputed trade receivables - credit impaired	-	-	-	-	-	9.26	9.26
	62,564.16	25,891.07	6,541.79	8,240.22	3,407.78	3,652.25	110,297.27
Less: Loss allowances							2,799.66
Total							**107,497.61**

As at 31 March 2025

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
Undisputed trade receivables - considered good	67,150.99	27,641.79	7,886.58	4,743.92	1,205.79	4,290.72	112,919.79
Undisputed trade receivables - considered good have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	0.26	-	0.25	71.75	72.26
Disputed trade receivables - credit impaired	-	-	-	-	-	9.26	9.26
	67,150.99	27,641.79	7,886.84	4,743.92	1,206.04	4,371.73	113,001.31
Less: Loss allowances							2,191.70
Total							**110,809.61**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

12. Loans

		Non-current		Current	
		As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Loans and advances to related parties (Refer note 47)					
(a) Unsecured, considered good		-	-	243.24	268.11
(b) Unsecured, credit impaired		-	-	-	-
		-	-	243.24	268.11
Less: Loss allowances		-	-	-	-
	(A)	-	-	243.24	268.11
Claims receivables and others	(B)	-	-	132.93	117.17
Loans and advance to employees	(C)	-	-	285.10	148.45
Others - Unsecured, credit impaired					
- Other loans and advances		55.07	55.07	-	-
		55.07	55.07	-	-
Less: Loss allowances		55.07	55.07	-	-
	(D)	-	-	-	-
	(A+B+C+D)	**-**	**-**	**661.27**	**533.73**

13. Other financial assets

		Non-current		Current	
		As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Tender, security and other deposits					
(a) Unsecured, considered good		1,525.71	1,231.02	105.86	75.60
(b) Unsecured, credit impaired		22.28	22.28	-	-
		1,547.99	1,253.30	105.86	75.60
Less: Loss allowances		22.28	22.28	-	-
	(A)	1,525.71	1,231.02	105.86	75.60
Receivable from concession agreement (Refer note 60)	(B)	227.89	311.39	115.52	115.52
Interest accrued on fixed deposits and margin money	(C)	-	-	566.33	1,133.81
	(A+B+C)	**1,753.60**	**1,542.41**	**787.71**	**1,324.93**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

14. Deferred tax assets / liabilities

As at 31st March 2026 **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	(1,961.99)	(654.05)	-	-	(2,616.04)
Trade Receivables and retention money	778.14	121.07	-	-	899.21
Other items	1,073.13	1,251.58	20.28	(67.00)	2,277.99
Tax assets/(liabilities)	**(110.72)**	**718.60**	**20.28**	**(67.00)**	**561.16**
<u>**Disclosed as under**</u>					
Deferred tax assets (Net)	**768.85**				**1,438.72**
Deferred tax liabilities (Net)	**879.57**				**877.56**
Tax assets/(liabilities)	**(110.72)**				**561.16**

As at 31st March 2025 **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	(2,015.84)	53.85	-	-	(1,961.99)
Trade Receivables and retention money	793.12	(14.98)	-	-	778.14
Other items	1,137.29	(73.50)	2.88	6.46	1,073.13
Tax assets/(liabilities)	**(85.43)**	**(34.63)**	**2.88**	**6.46**	**(110.72)**
<u>**Disclosed as under**</u>					
Deferred tax assets (Net)	**845.76**				**768.85**
Deferred tax liabilities (Net)	**931.19**				**879.57**
Tax assets/(liabilities)	**(85.43)**				**(110.72)**

* Other adjustments includes currency fluctuation on conversion of foreign subsidiaries.

The group 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 2026 (contd...)

15. Tax assets

	Non-current		Current	
	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Income tax paid (Net of provision for tax)	255.59	74.80	219.81	53.01
	255.59	**74.80**	**219.81**	**53.01**

16. Other assets

		Non-current		Current	
		As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Capital advances (Refer note 57)	(A)	3,412.49	4,375.48	-	-
Balance with statutory authorities	(B)	484.40	425.33	18,947.29	13,755.06
Advance to suppliers					
(a) Unsecured, considered good		-	-	4,544.71	5,152.79
(c) Unsecured, credit impaired		30.90	30.90	-	-
		30.90	30.90	4,544.71	5,152.79
Less: Loss allowances		30.90	30.90	-	-
	(C)	-	-	4,544.71	5,152.79
Security Deposit for Land and other loans and advances (Refer note 49 and 50)					
(a) Unsecured, considered good		561.54	561.54	-	-
(b) Unsecured, credit impaired		186.78	186.78	-	-
		748.32	748.32	-	-
Less: Loss allowances		186.78	186.78	-	-
	(D)	561.54	561.54	-	-
Export incentives and other receivables	(E)	-	-	1,962.84	930.49
Prepaid expenses	(F)	-	-	2,107.89	1,581.24
Unbilled Revenue *		-	-	23,285.24	7,438.17
Less: Loss allowances		-	-	380.00	-
	(G)	-	-	22,905.24	7,438.17
	(A+B+C+D+E+F+G)	**4,458.43**	**5,362.35**	**50,467.97**	**28,857.75**

* Figures for the year ended 31st March 2025 includes INR 2,653.35 Lacs previously classified under trade receivables, being contractual claims receivable from a customer in respect of an ongoing EPC contract.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

17. Inventories

(valued at lower of cost and net realizable value)

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Raw materials and components	19,507.39	14,034.65
Work-in-progress	1,485.44	2,913.79
Finished goods	15,471.69	7,848.85
Traded goods	4,189.89	2,675.71
Stores and spares	2,520.10	2,294.33
Contract work-in-progress	964.09	131.36
	44,138.60	**29,898.69**

18. Current investments

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Investments measured at fair value through profit and loss		
Quoted, fully paid-up		
5,875 (31st March 2025: 5,875) equity shares of INR 2 each, fully paid-up in Sterlite Technologies Limited	9.27	4.76
* 5,875 (31st March 2025: Nil) equity shares of INR 2 each, fully paid-up in STL Networks Limited	1.10	-
70 (31st March 2025: 70) equity shares of INR 2 each, fully paid-up in Jain Irrigation Systems Limited	0.02	0.04
40,500 (31st March 2025: 40,500) equity shares of INR 2 each, fully paid-up in Canara Bank	50.03	36.05
	60.42	**40.85**
Aggregate amount of quoted investments	60.42	40.85
Market value of quoted investments	60.42	40.85

Note : The group holds 10,988 (31st March 2025: 7,988) equity shares ranging from face value INR 1 to 10 fully paid up in four companies carried at zero value.

* Pursuant to the demerger of Sterlite Technologies Limited, the group received equity shares of STL Networks Limited

19. Cash and cash equivalents

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Balances with banks		
- On current accounts [Refer note below]	17,739.28	9,468.08
- Deposits with original maturity of less than three months	675.00	5,412.05
Cash on hand	42.09	48.93
	18,456.37	**14,929.06**

Note : Includes balance of INR 5,788.07 Lacs (31st March 2025: INR 1,303.85 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 2026 (contd...)

20. Bank balances other than cash and cash equivalents

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Balances with banks		
- On unclaimed dividend accounts	85.72	81.10
Other bank balances:		
- Deposits with original maturity of more than three months	3,426.72	15,473.49
- Margin money deposits [Refer note below]	9,898.09	16,096.60
	13,410.53	**31,651.19**

Note

Margin money deposits with a carrying amount of INR 9,898.09 Lacs (31st March 2025: INR 16,096.60 Lacs) are subject to first charge to secure bank guarantees issued by banks on our behalf.

21. Equity share capital

	As at 31st March 2026		As at 31st March 2025	
	No of shares	INR in Lacs	No of shares	INR in Lacs
Authorised capital				
Equity shares of INR 1 each	320,000,000	3,200.00	320,000,000	3,200.00
Issued, subscribed and fully paid-up capital				
Equity shares of INR 1 each *	142,287,850	1,422.88	142,287,850	1,422.88
	142,287,850	**1,422.88**	**142,287,850**	**1,422.88**

* Issued, subscribed and fully paid-up shares are net of elimination of shares held by subsidiaries.

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year

	As at 31st March 2026		As at 31st March 2025	
	No. of equity shares Face value INR 1	INR in Lacs	No. of equity shares Face value INR 1	INR in Lacs
At the beginning of the year *	142,287,850	1,422.88	142,287,850	1,422.88
Add: Issued during the year	-	-	-	-
At the end of the year *	**142,287,850**	**1,422.88**	**142,287,850**	**1,422.88**

* Issued, subscribed and fully paid-up shares are net of elimination of shares held by subsidiaries.

(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. 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% equity shares in the company #

	As at 31st March 2026		As at 31st March 2025	
	No. of equity shares Face value INR 1	% holding	No. of equity shares Face value INR 1	% holding
Mr. Rajesh Sharma	8,281,669	5.820%	8,249,680	5.798%

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 2026 (contd...)

21. Equity share capital (contd...)

(d) Aggregate number of equity share issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Nil equity shares (Previous period of five years ended 31st March 2025: Nil equity shares)

(e) Equity shares reserved for issue under ESOS

There are no pending equity 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 2026

Promoter name	No. of equity shares Face value INR 1	% of total equity shares	% change during the year
Rajesh Sharma	8,281,669	5.820%	0.022%
M. P. Patni	6,862,924	4.823%	0.000%
Dinesh Sharma	5,712,710	4.015%	-0.218%
Bimal Jain	3,638,515	2.557%	0.000%
Aankur Patni	2,952,930	2.075%	0.000%
Uma Gopal Ranganathan	1,290,220	0.907%	-0.165%
Aruna Sharma	1,103,460	0.776%	0.022%
Poonam Sharma	806,500	0.567%	0.218%
Dhruv Dinesh Trigunayat	150,000	0.105%	0.000%
Priya Trigunayat	150,000	0.105%	0.000%
Pallavi Sharma	20,000	0.014%	0.000%
Nidhi Patni	10,000	0.007%	0.000%
Vishnu Gopal Ranganathan	1,573,000	1.106%	-0.117%
Ion Exchange Financial Products Private Limited	504,220	0.354%	0.000%
	33,056,148	**23.231%**	**-0.238%**

As on 31st March 2025

Promoter name	No. of equity shares Face value INR 1	% of total equity shares	% change during the year
Rajesh Sharma	8,249,680	5.798%	0.000%
M. P. Patni	6,862,924	4.823%	-0.239%
Dinesh Sharma	6,022,710	4.233%	-0.211%
Bimal Jain	3,638,515	2.557%	-0.210%
Aankur Patni	2,952,930	2.075%	0.000%
Uma Gopal Ranganathan	1,525,220	1.072%	-0.137%
Aruna Sharma	1,073,450	0.754%	-0.004%
Poonam Sharma	496,500	0.349%	0.000%
Dhruv Dinesh Trigunayat	150,000	0.105%	0.105%
Priya Trigunayat	150,000	0.105%	0.105%
Pallavi Sharma	20,000	0.014%	0.000%
Nidhi Patni	10,000	0.007%	0.000%
Vishnu Gopal Ranganathan	1,740,000	1.223%	-0.056%
Ion Exchange Financial Products Private Limited	504,220	0.354%	0.000%
	33,396,149	**23.469%**	**-0.647%**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

22. Other equity

		As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Securities premium account			
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		110,267.42	91,324.18
Profit for the year		14,266.35	20,781.66
Other Comprehensive Income (OCI)		(102.07)	(60.14)
Dividend paid [Refer note (b) below]		(1,778.28)	(1,778.28)
	(F)	122,653.42	110,267.42
Foreign currency translation reserve			
Balance as at 1st April		424.00	370.43
Foreign currency translation during the year		729.02	53.57
	(G)	1,153.02	424.00
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)	**132,479.62**	**119,364.60**

Notes

(a) Description of nature and purpose of each reserve

Securities premium account: Securities premium account is used to record the premium on issue of shares. Securities premium account 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 2026 (contd...)

22. 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 2026 INR in Lacs	31st March 2025 INR in Lacs
Dividend [INR 1.50 per equity share of face value of INR 1 each (2024-25: INR 1.50 per equity share of face value of INR 1 each)]	2,134.32	2,134.32
Less: Dividend on treasury shares	(356.04)	(356.04)
	1,778.28	**1,778.28**

23. Borrowings

	Non-current		Current maturities of Non-current borrowings	
	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Term loans (Secured)				
Indian rupee loan from financial institution [Refer note (a) and (b) below]	29,751.11	18,442.00	5,515.89	2,065.89
Indian rupee loan from a bank [Refer note (c) below]	1,068.51	1,353.45	284.94	71.23
Bank loans [Refer note (d) below]	4,757.04	5,292.05	1,526.09	1,292.54
Vehicle loan from banks [Refer note (e) below]	180.93	118.23	45.97	42.51
	35,757.59	**25,205.73**	**7,372.89**	**3,472.17**
The above amount includes				
Secured borrowings	35,757.59	25,205.73	7,372.89	3,472.17
Unsecured borrowings	-	-	-	-
Amount included under the head "Borrowings - Current" (Refer note 26)	-	-	(7,372.89)	(3,472.17)
	35,757.59	**25,205.73**	**-**	**-**

Notes

(a) Indian rupees loan from financial institution for capital expenditure carrying interest rate @ 9.25% p.a. as on 31st March 2026. The loan is secured by exclusive charge on movable and immovable fixed assets pertaining to Reverse Osmosis Membrane manufacturing facility project at Goa, under Phase I under and is repayable in 20 equal quarterly instalments from 1st August 2023.

(b) Indian rupees loan from financial institution for capital expenditure carrying interest rate @ 8.30% p.a. as on 31st March 2026. The loan is secured by first charge on movable and immovable fixed assets (on present and future assets) pertaining to a Resin manufacturing facility project in Roha, Maharashtra and is repayable in 20 equal quarterly instalments from 30th September 2026.

(c) Indian rupees loan from a bank for execution of BOOT order from a company and carries interest rate @ 8.70% p.a. as on 31st March 2026. The loan is secured by exclusive charge on movable fixed assets of this plant, stock and book debts arising out of the said BOOT order and on present and future cash flows and is repayable in 20 equal quarterly instalments from 31st March 2026.

(d) Bank loans and Escrow account and carries a rate of interest of 3.71% p.a. as on 31st March 2026 and is secured by corporate guarantees.

(e) Vehicle loans from finance companies @ interest of 2.25% to 6.25%. The loans were secured by hypothecation of under lying vehicles.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

23. Borrowings (contd...)

(f) Terms of repayment of total borrowings outstanding above as at 31st March 2026 are provided below:

INR in Lacs

Borrowings	Total carrying value	<1 year	1-3 years	3-5 years	> 5 years	Repayment Terms (Balance Term)
Indian rupee loan from financial institution [Refer note (a) above]	767.00	340.89	426.11	-	-	Repayment in 9 quarterly installments
Indian rupee loan from financial institution [Refer note (b) above]	34,500.00	5,175.00	13,800.00	13,800.00	1,725.00	Repayment in 20 quarterly installments
Indian rupee loan from a bank [Refer note (c) above]	1,353.45	284.94	569.87	498.64	-	Repayment in 19 quarterly installments
Bank loan and vehicle loan [Refer notes (d) and (e) above]	6,510.03	1,572.06	806.37	775.00	3,356.60	As per repayment schedule
	43,130.48	**7,372.89**	**15,602.35**	**15,073.64**	**5,081.60**	

24. Other financial liabilities - Non Current

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Dealer Deposits	893.94	878.28
Deferred payment for acquisition *	352.09	458.31
	1,246.03	**1,336.59**

* Pertains to acquiring of 100% paid-up equity of the company - 'Mapril - Produtos Químicos e Máquinas Para A Industria, LDA', Portugal on 22nd June 2023

25. Provisions

	Non-current		Current	
	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Provision for employee benefits (Refer note 43)	3,024.46	2,077.30	2,712.44	720.49
Provision for warranties	-	-	82.84	59.07
	3,024.46	**2,077.30**	**2,795.28**	**779.56**

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.

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
At the beginning of the year	59.07	53.75
Additional provision recognised during the year	82.84	59.07
Utilisation of provision	59.07	53.75
Unused amounts reversed	-	-
At the end of the year	**82.84**	**59.07**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

26. Borrowings - Current

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Working capital loans from banks (Secured) [Refer notes (a) to (b) below]	706.06	951.77
Working capital loan from bank (Secured) [Refer note (c) below]	1,300.00	-
Buyers credit with a financial institution (Secured) [Refer note (d) below]	107.14	492.13
Inter-corporate deposits (Unsecured) [Refer note (e) below]	196.65	179.48
Current maturities of long term borrowings (Secured) (Refer note 23)	7,372.89	3,472.17
	9,682.74	**5,095.55**
The above amount includes		
Secured borrowings	9,486.09	4,916.07
Unsecured borrowings	196.65	179.48
	9,682.74	**5,095.55**

Notes:

(a) Includes working capital loan of INR 502.89 Lacs (31st March 2025: INR 757.90 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 @ 8.10% to 9.90% p.a. (31st March 2025: 8.90% to 11.65% p.a.).

(b) Includes working capital loan of INR 203.17 Lacs (31st March 2025: INR 193.87 Lacs) from a bank secured against hypothecation of book debts and stocks and also secured by corporate guarantees and carries interest of 12.50% p.a. and 14.00% p.a. The working capital loan is repayable on demand.

(c) The working capital demand loan of INR 1,300.00 Lacs (31st March 2025: Nil) 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 respective due date(s) and carries interest @ 8.25 % p.a.

(d) Buyers credit is vendor bills discounting facility with a financial institution and carries interest of 3 months SOFR plus 450 basis point p.a.

(e) Inter corporate deposit are for a period from 90 to 365 days and are repayable on demand.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

27. Trade payables

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Trade payables (including acceptances)		
- Total outstanding dues of micro and small enterprises (Refer note 56)	12,277.80	6,010.83
- Total outstanding dues of creditors other than micro and small enterprises	77,689.51	71,887.35
	89,967.31	**77,898.18**

Trade payables ageing schedule

As at 31 March 2026

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
Total outstanding dues of micro enterprises and small enterprises	10,312.97	1,732.36	213.71	10.58	8.18	12,277.80
Total outstanding dues of creditors other than micro enterprises and small enterprises	57,324.10	15,025.61	2,128.89	626.38	2,251.13	77,356.11
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	37.33	14.97	265.26	0.04	15.80	333.40
	67,674.40	**16,772.94**	**2,607.86**	**637.00**	**2,275.11**	**89,967.31**

As at 31 March 2025

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
Total outstanding dues of micro enterprises and small enterprises	4,704.98	1,257.15	31.91	7.82	7.06	6,008.92
Total outstanding dues of creditors other than micro enterprises and small enterprises	52,886.09	15,128.10	745.73	791.75	1,964.06	71,515.73
Disputed dues of micro enterprises and small enterprises	-	-	0.02	0.10	1.79	1.91
Disputed dues of creditors other than micro enterprises and small enterprises	-	351.16	0.50	0.02	19.94	371.62
	57,591.07	**16,736.41**	**778.16**	**799.69**	**1,992.85**	**77,898.18**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

28. Other financial liabilities - Current

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Interest accrued but not due	14.11	10.07
Employee benefits payable	5,570.81	4,394.42
Creditors for capital goods and others	2,911.58	4,765.89
Deferred payment for acquisition *	218.01	187.07
Unpaid dividend	85.72	81.10
	8,800.23	**9,438.55**

* Pertains to acquiring of 100% paid-up equity of the company - 'Mapril - Produtos Químicos e Máquinas Para A Industria, LDA', Portugal on 22nd June 2023

29. Other current liabilities

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Advance from customers	23,670.74	24,842.18
Unearned revenue on construction contracts (Refer note 45)	19,377.90	22,639.19
Unearned revenue on AMC services	1,862.68	1,401.56
Statutory dues	2,443.02	2,396.54
Other liabilities	785.60	673.80
Deposits	44.00	44.85
	48,183.94	**51,998.12**

30. Tax liabilities

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Provision for income tax (Net of advance tax)	848.41	1,076.27
	848.41	**1,076.27**

31. Revenue from operations

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Sale of products		
Finished goods	194,033.65	172,519.22
Traded goods	26,111.44	20,526.01
Sale of services	69,716.46	78,554.56
Other operating revenue		
Scrap sale	509.41	447.70
Management fees	136.12	109.02
Other operating income (including export incentive)	977.05	1,554.33
	291,484.13	**273,710.84**

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 2026 (contd...)

32. Other income

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Interest income at amortised cost		
- From banks	1,716.89	3,000.81
- From others	404.96	598.26
Rent	204.86	203.11
Dividend income on investments	15.19	6.01
Exchange gain (Net)	3,799.28	261.46
Profit on fixed assets sold/discarded (Net)	159.48	38.24
Other non operating Income *	2,336.11	752.93
Change in fair value of investments - Investments classified at FVTPL	19.57	-
	8,656.34	**4,860.82**

* includes interest of INR 2,138.60 Lacs being a part of contractual claims lodged by the group in respect of an ongoing EPC contract.

33. Cost of materials consumed

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Inventory at the beginning of the year	14,034.65	10,259.77
Add: Purchases *	184,747.47	167,328.99
Less: Inventory at the end of the year	19,507.39	14,034.65
Cost of raw material and components consumed **	**179,274.73**	**163,554.11**

* **Includes direct expenses incurred on contracts:**

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Project management consultancy	4,314.09	3,005.07
Bank charges	1,081.27	1,044.42
Sales commission	395.77	965.92
Legal and professional charges	889.09	740.28
Travelling and conveyance	1,030.27	649.32
Establishment and other miscellaneous expenses	760.62	736.00
Project and site expenses	590.71	544.81
Insurance	459.12	450.04
Rent	270.45	352.72
Freight	661.65	225.29
Interest	96.17	150.35
	10,549.21	**8,864.22**

** 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 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Consumer products	14,018.03	10,050.67
Spares	549.06	661.14
Others	56.78	69.31
	14,623.87	**10,781.12**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

35. Change in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Inventories at the end of the year		
Traded goods	4,189.89	2,675.71
Work-in-progress	1,485.44	2,913.79
Finished goods	15,471.69	7,848.85
Contract work-in-progress	964.09	131.36
(A)	**22,111.11**	**13,569.71**
Inventories at the beginning of the year		
Traded goods	2,675.71	1,844.32
Work-in-progress	2,913.79	2,684.12
Finished goods	7,848.85	7,167.46
Contract work-in-progress	131.36	80.15
(B)	**13,569.71**	**11,776.05**
(B)-(A)	**(8,541.40)**	**(1,793.66)**

36. Employee benefits expense

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Salaries, wages and bonus	37,640.28	31,089.74
Contribution to provident and other funds (Refer note 43)	2,333.11	1,783.11
Staff welfare expense	1,482.34	1,280.50
	41,455.73	**34,153.35**

37. Finance costs

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Interest expense financial liabilities measured at amortised cost	2,035.78	894.73
Interest on lease liabilities	196.25	190.50
Other borrowing costs	168.21	260.33
	2,400.24	**1,345.56**

38. Depreciation and amortisation expense

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Depreciation of property, plant and equipment (Refer note 4)	4,830.29	3,216.02
Depreciation on right-of-use assets (Refer note 5)	1,105.02	922.28
Amortisation of intangible assets (Refer note 7)	324.94	310.64
	6,260.25	**4,448.94**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

39. Other expenses

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Stores and spare parts consumed	177.82	99.01
Power and fuel	3,168.36	2,677.89
Repairs and Maintenance - Buildings	257.48	154.30
- Plant and machinery	1,154.06	1,082.18
- Others	527.82	626.41
Rent (Net of recoveries)	682.57	396.85
Rates and taxes	875.94	781.35
Insurance (Net of recoveries)	402.42	364.26
Travelling and conveyance	6,678.84	6,007.51
Freight (Net of recoveries)	7,509.97	7,869.56
Packing (Net of recoveries)	2,575.94	2,736.95
Advertisement and publicity	2,673.62	2,253.65
Commission	754.41	970.97
Legal and professional charges	4,995.29	3,042.12
Telephone and communication expenses	368.89	318.31
Bad debts written off	4.82	60.48
Less: Provision for doubtful debts utilised	-	(59.62)
	4.82	0.86
Allowances for expected credit losses	987.96	26.85
Doubtful advances / claims written off	3.73	85.08
Less: Provision for doubtful advances / claims utilised	-	(85.08)
	3.73	-
Auditors' remuneration (Refer note 39.1)	85.74	81.75
Directors' sitting fees	44.20	45.50
Commission to non-executive directors (Refer note 47)	280.00	660.00
Bank charges	349.58	337.04
Change in fair value of investments classified at FVTPL	-	12.76
Establishment and other miscellaneous expenses *	9,096.02	7,088.92
	43,655.48	**37,635.00**

* Includes CSR expenditure of INR 530.87 Lacs (2024-25: INR 486.76 Lacs). Refer note 63.

39.1 Auditors' remuneration (excluding taxes)

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
As auditor (Parent Company):		
- Audit fees	58.00	58.00
- Limited review	9.00	9.00
In other capacity:		
- Other services (Certification fees and other attestation)	13.07	3.80
Reimbursement of expenses	5.67	6.45
Branch auditor		
- Audit fees	-	2.75
- Other services (Certification fees)	-	1.20
- Reimbursement of expenses	-	0.55
	85.74	**81.75**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

40. Tax expense

		Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Current tax		5,892.18	7,687.61
Deferred tax		(718.60)	34.63
		5,173.58	7,722.24
Reconciliation of tax expense			
Profit before tax		19,322.53	28,447.24
Applicable tax rate		25.17%	25.17%
Computed tax expense	**(A)**	**4,863.48**	**7,160.17**
Adjustments for:			
Non-deductible tax expenses		73.70	49.58
Tax deductible income / expenses		(109.61)	(29.95)
Corporate social responsibility expenditure		133.62	122.58
Deduction under house property		(17.12)	(17.44)
Subsidiaries chargeable at different tax rates		1.98	(6.07)
Deferred tax not recognised on losses and others		227.53	443.37
Net adjustments	**(B)**	**310.10**	**562.07**
Tax expense	**(A+B)**	**5,173.58**	**7,722.24**

41. Other comprehensive income

	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Items that will not be reclassified to profit or loss		
(a) Remeasurement benefit of defined benefit plans	(123.32)	(33.77)
(b) Income tax expense on remeasurement benefit of defined benefit plans	20.28	2.88
(c) Share of Other Comprehensive Income in associates	0.97	(29.25)
Items that will be reclassified to profit or loss		
(a) Movement in foreign currency translation reserve	801.00	77.46
	698.93	**17.32**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

42. Earnings per share (EPS)

	Particulars	31st March 2026	31st March 2025
I	**Earnings**		
	Net profit as per the statement of profit and loss available for equity shareholders (INR in Lacs)	14,266.35	20,781.66
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 (INR 1 each)	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 (INR 1 each)	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	11,8551,710	118,551,710
III	Earnings per share in Rupees		
	Basic (INR)	12.034	17.530
	Diluted (INR)	12.034	17.530

43. Employee benefits

A. Gratuity

The group has a defined benefit gratuity plan. The plan provides for lump sum payment to vested employees at retirement, on death while in employment or on termination of the employment in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme, as applicable. Every employee who has completed five years or more of service gets a gratuity on departure. 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	2025-26	2024-25
I	**Change in defined benefit obligation**		
	Defined benefit obligation, Beginning of period	3,216.21	3,716.92
	Interest cost	234.03	246.05
	Service cost	468.09	357.64
	Total actuarial (gains)/losses	2.28	12.04
	a. Effect of change in financial assumptions	(135.30)	20.05
	b. Effect of change in demographic assumptions	19.04	(61.00)
	c. Experience (gains) / losses	118.54	52.99
	Benefits paid	(228.04)	(1,116.44)
	Past service cost	1,234.18	-
	Defined benefit obligation, end of period	4,926.75	3,216.21

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. Employee benefits (contd…)

INR in Lacs

	Particulars	**2025-26**	**2024-25**
II	**Change in the fair value of plan assets**		
	Fair value of plan assets at the beginning of the period	2,704.54	3,248.31
	Interest income	181.95	233.61
	Contributions by the employer	272.03	343.39
	(Benefit paid from the fund)	(193.39)	(1,099.04)
	Return on plan assets, excluding interest income	(121.04)	(21.73)
	Fair value of plan assets at the end of the period	2,844.09	2,704.54
III	**Expenses recognised in the statement of profit or loss for current period**		
	Current service cost	468.09	357.64
	Net interest cost	52.08	12.44
	Past service cost	1,234.18	-
	Expenses recognised	1,754.35	370.08
IV	**Expenses recognised in the other comprehensive income (OCI) for current period**		
	Actuarial (gains) / losses on obligation for the period	2.28	12.04
	Return on plan assets, excluding interest income	121.04	21.73
	Net (income) / expense for the period recognised in OCI	123.32	33.77
V	**Maturity analysis of the benefit payments**		
	Projected benefits payable in future years from the date of reporting		
	1st following year	1,078.17	718.14
	2nd following year	535.69	331.50
	3rd following year	638.22	364.78
	4th following year	498.09	359.02
	5th following year	528.79	310.14
	Sum of years 6 to 10	1,744.10	1,122.17
	Sum of years 11 and above	2,096.47	1,317.73
VI	**Sensitivity analysis**		
	Projected benefit obligation on current assumptions	4,926.74	3,216.20
	Delta effect of +0.5% change in rate of discounting	(116.41)	(79.29)
	Delta effect of -0.5% change in rate of discounting	123.02	83.98
	Delta effect of +0.5% change in rate of salary increase	121.35	82.87
	Delta effect of -0.5% change in rate of salary increase	(94.28)	(79.16)
	Delta effect of +0.5% change in rate of employee turnover	(21.77)	(15.15)
	Delta effect of -0.5% change in rate of employee turnover	22.57	15.77
VII	**Actuarial assumption**		
	Discount rate	3.73% - 6.82%	4.18% - 6.82%
	Expected rate of salary increase	7% - 10%	7% - 10%
	Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
	Attrition rate	11%-21%	11%-21%
	Rate of return on plan assets	6.54% - 7.23%	6.45% - 6.82%
	Weighted average duration of the defined benefit obligation	6 - 7 years	6 - 7 years

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

43. Employee benefits (contd…)

The group expects to contribute INR 898.78 Lacs (2025-26: INR 292.24 Lacs) to gratuity in 2026-27.

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	
		2025-26	2024-25
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. <u>Provident fund</u>

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 no shortfall in the fund as on 31st March 2026 as per valuation report. (As on 31st March 2025 there was also no shortfall)

The details of fund obligations are given below:

INR in Lacs

Particulars	As at 31st March 2026	As at 31st March 2025
Details of the fund and asset position		
Plan asset at the year end, at fair value	9,459.49	8,616.47
Present value of benefit obligation at year end	8,860.78	7,909.43
Net liability / (asset)	(598.71)	(707.04)
Assumption used in determining the present value obligation of the interest rate guarantee under the deterministic approach are:		
Discount rate	7.23%	6.82%
Interest Rate guarantee	8.25%	8.25%
Expected rate of return of assets	8.25%	8.25%

Note:

On 21st November 2025 the Government of India notified four Labour Codes. These Labour Codes consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment and amongst other things introduce changes, including a uniform definition of wages and enhanced benefits relating to leave. The adjustments for Labour Codes represent an increase in gratuity liability arising out of past service cost and increase in leave liability together by INR 1,689.04 Lacs in financials. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the company has presented this incremental amount as "Impact of Labour Codes" under "Exceptional Item" in the financials for the year ended 31st March 2026. The company continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of liability pertaining to employee benefits.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (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 2026				As at 31st March 2025			
	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	28.27				72.26			
Loans	-				-			
Others	1,753.60				1,542.41			
Investments	542.89				467.39			
At FVTPL								
Investments *	132.46	-	-	132.46	126.61	-	-	126.61
Financial assets - Current **								
At amortised cost								
Trade receivables	107,469.34				110,737.35			
Cash and cash equivalents	18,456.37				14,929.06			
Bank balances other than above	13,410.53				31,651.19			
Loans	661.27				533.73			
Others	787.71				1,324.93			
At FVTPL								
Investments	60.42	60.42	-	-	40.85	40.85	-	-
Financial liabilities - Non-current								
At amortised cost								
Borrowings	35,757.59				25,205.73			
Lease liabilities	1,713.06				1,429.74			
Other financial liabilities	1,246.03				1,336.59			
Financial liabilities - Current **								
Borrowings	9,682.74				5,095.55			
Lease liabilities	1,065.24				528.74			
Trade payables	89,967.31				77,898.18			
Other financial liabilities	8,800.23				9,438.55			

* Excludes investments in associates amounting to INR 846.93 Lacs (31st March 2025: INR 684.10 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 2026 (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
- Capital risk management

Risk management framework

The audit committee members of the parent 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 2026 (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.

(i) 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 group 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%.

Expected credit loss under various heads are as follows:

Particulars	Trade receivables	Loans	Other financial assets	Total
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
Balance as at 1st April 2024	2,224.47	138.19	24.24	2,386.90
Provision recognised	26.85	-	-	26.85
Amount utilized	(59.62)	(83.12)	(1.96)	(144.70)
Balance as at 31st March 2025	**2,191.70**	**55.07**	**22.28**	**2,269.05**
Provision recognised	607.96	-	-	607.96
Amount utilised / reversed	-	-	-	-
Balance as at 31st March 2026	**2,799.66**	**55.07**	**22.28**	**2,877.01**

Note:

Further ECL on other current assets during the year INR 380.00 Lacs (2024-25: INR Nil) has been provided.

Cash and cash equivalents

The group held cash and cash equivalents of INR 18,456.37 Lacs as at 31st March 2026 (as at 31st March 2025: INR 14,929.06 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 13,410.53 Lacs as at 31st March 2026 (as at 31st March 2025: INR 31,651.19 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 2026 (contd...)

44. Financial instruments (contd…)

(ii) 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 2026 **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 **	43,130.48	51,868.65	10,284.99	19,700.83	16,746.95	5,135.88
(ii) Lease liabilities **	2,778.30	4,327.23	1,108.20	1,498.98	215.99	1,504.06
(iii) Other non-current financial liabilities	1,246.03	1,266.38	-	372.44	-	893.94
Current financial liabilities						
(i) Short term borrowings	2,309.85	2,309.85	2,309.85	-	-	-
(ii) Trade payables	89,967.31	89,967.31	89,967.31	-	-	-
(iii) Other financial liabilities	8,800.23	8,800.23	8,800.23	-	-	-
	148,232.20	**158,539.65**	**112,470.58**	**21,572.25**	**16,962.94**	**7,533.88**

As at 31st March 2025 **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 **	28,677.90	33,356.69	5,442.75	17,387.67	6,291.06	4,235.21
(ii) Lease liabilities **	1,958.48	3,358.85	553.78	794.38	433.26	1,577.43
(iii) Other non-current financial liabilities	1,336.59	1,378.37	-	369.30	130.79	878.28
Current financial liabilities						
(i) Short term borrowings	1,623.38	1,623.38	1,623.38	-	-	-
(ii) Trade payables	77,898.18	77,898.18	77,898.18	-	-	-
(iii) Other financial liabilities	9,438.55	9,438.55	9,438.55	-	-	-
	120,933.08	**127,054.02**	**94,956.64**	**18,551.35**	**6,855.11**	**6,690.92**

* Contractual cash flows includes interest payout in the respective years on borrowings.

** Including current and non-current portion.

(iii) 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 2026 (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 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Fixed rate instruments		
Financial assets – measured at amortised cost		
Loans to related parties	243.24	268.11
Balances with banks - On deposit account with original maturing less than 3 months	675.00	5,412.05
Other bank balances - On deposit account with original maturity more than 3 months	3,426.72	15,473.49
Other bank balances - On margin money account	9,898.09	16,096.60
	14,243.05	**37,250.25**
Financial liabilities – measured at amortised cost		
Long term borrowing *	226.90	160.74
Short term borrowings	196.65	179.48
	423.55	**340.22**
Variable rate loan		
Financial liabilities – measured at amortised cost		
Long term borrowings *	42,903.58	28,517.16
Short term borrowings	2,113.20	1,443.90
	45,016.78	**29,961.06**

* 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 2026		31st March 2025	
	Increase	Decrease	Increase	Decrease
	(-)	+	(-)	+
	INR in Lacs	INR in Lacs	INR in Lacs	INR in Lacs
1% Movement	(450.17)	450.17	(299.61)	299.61

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 2026 (contd...)

44. Financial instruments (contd…)

Exposure to currency risk:

The currency profile of financial assets and financial liabilities as at 31st March 2026 and 31st March 2025 are as below:

As at 31st March 2026 **INR in Lacs**

	USD	EUR	AED	Others	Total
Financial assets					
Loans to subsidiaries	316.09	-	-	-	316.09
Cash and cash equivalents	6,643.08	-	1,649.83	361.80	8,654.71
Trade and other receivables *	33,410.81	7,891.71	2,174.53	351.73	43,828.78
	40,369.98	**7,891.71**	**3,824.36**	**713.53**	**52,799.58**
Less: Forward exchange contracts	(7,288.38)	(2,180.13)	-	-	(9,468.51)
Less: Natural hedge	(7,485.17)	(934.30)	(2,853.36)	(515.50)	(11,788.33)
Net exposure on financial assets	**25,596.43**	**4,777.28**	**971.00**	**198.03**	**31,542.74**
Financial liabilities					
Trade and other payables	7,256.68	1,306.74	2,853.36	1,167.18	12,583.96
Borrowings	228.49	-	-	-	228.49
	7,485.17	**1,306.74**	**2,853.36**	**1,167.18**	**12,812.45**
Less: Forward exchange contracts	-	-	-	-	-
Less: Natural hedge	(7,485.17)	(934.30)	(2,853.36)	(515.50)	(11,788.33)
Net exposure on financial liabilities	**-**	**372.44**	**-**	**651.68**	**1,024.12**
Total net exposure	**25,596.43**	**5,149.72**	**971.00**	**849.71**	**32,566.86**

* Includes amount of INR 8,518.89 Lacs being in foreign currency and part of unbilled revenue

As at 31st March 2025 **INR in Lacs**

	USD	EUR	AED	Others	Total
Financial assets					
Loans to subsidiaries	295.38	-	-	-	295.38
Cash and cash equivalents	171.61	-	523.52	1,349.12	2,044.25
Trade and other receivables **	29,813.26	10,846.55	3,040.53	349.44	44,049.78
	30,280.25	**10,846.55**	**3,564.05**	**1,698.56**	**46,389.41**
Less: Forward exchange contracts	(4,056.56)	-	-	-	(4,056.56)
Less: Natural hedge	(6,073.68)	(4,209.26)	(2,132.03)	(1,544.75)	(13,959.72)
Net exposure on financial assets	**20,150.01**	**6,637.29**	**1,432.02**	**153.81**	**28,373.13**
Financial liabilities					
Trade and other payables	5,864.84	4,709.35	2,132.03	2,469.48	15,175.70
Borrowings	208.84	-	-	-	208.84
	6,073.68	**4,709.35**	**2,132.03**	**2,469.48**	**15,384.54**
Less: Forward exchange contracts	-	-	-	-	-
Less: Natural hedge	(6,073.68)	(4,209.26)	(2,132.03)	(1,544.75)	(13,959.72)
Net exposure on financial liabilities	**-**	**500.09**	**-**	**924.73**	**1,424.82**
Total net exposure	**20,150.01**	**7,137.38**	**1,432.02**	**1,078.54**	**29,797.95**

** Includes amount of INR 2,653.35 Lacs being in foreign currency and part of unbilled revenue.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

44. Financial instruments (contd…)

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 foreign currency 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 2026		31st March 2025	
	(Strengthening)	Weakening	(Strengthening)	Weakening
1% movement				
USD	(255.96)	255.96	(201.50)	201.50
EUR	(51.50)	51.50	(71.37)	71.37
AED	(9.71)	9.71	(14.32)	14.32
Others	(8.50)	8.50	(10.79)	10.79
	(325.67)	**325.67**	**(297.98)**	**297.98**

(i) Capital risk management

The group adheres to a disciplined Capital Management framework in order to maintain a strong balance sheet. The main objectives are as follows:

a) Maintain good rating domestically.

b) Manage foreign exchange, interest rates and commodity price risk, and minimise the impact of market volatility on earnings.

c) Diversify sources of financing and spread the maturity across tenure buckets in order to manage liquidity risk.

d) Leverage optimally in order to maximise shareholder returns.

The Net Gearing Ratio at end of the reporting period was as follows:

Particulars	31 March, 2026 INR in Lacs	31 March, 2025 INR in Lacs
Gross debt	45,440.33	30,301.28
Less: Cash and cash equivalent, fixed deposits and marketable securities	21,943.51	30,443.40
Net debt (A)	23,496.82	(142.12)
Total equity (As per Balance Sheet) (B)	134,031.28	120,948.57
Net Gearing (A/B)	0.18	(0.00)

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) Reconciliation of contract assets and liabilities

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 2026	As at 31st March 2025
Receivables which are included in trade and other receivables	65,182.00	77,226.30
Contract assets		
- Accrued value of work done	22,905.24	7,438.17
Contract liabilities		
- Unearned revenue on construction contracts	19,377.90	22,639.19
- Advance from customers	18,018.17	19,827.21

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

45. Disclosure as per Ind AS 115 (contd…)

(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 2026	31st March 2025
Amount of Revenue expected to be recognised for contracts having original expected duration of more than one year in progress as at reporting date	146,675.00	186,990.00

(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.

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) Interest income is recognised using the effective interest method.

(g) Revenue from sale of goods is recognises at the point in time when control of the assets is transferred to the customer, basis incoterms.

(h) 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.

(i) Reconciliation of revenue recognised in the statement of profit and loss are as follows:

INR in Lacs

Particulars	2025-26	2024-25
Revenue recognized	293,196.66	274,927.79
Less: Reduction towards variable consideration component *	1,712.53	1,216.95
Revenue recognised in the statement of profit and loss	**291,484.13**	**273,710.84**

* Reduction towards variable consideration component includes discount etc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

46. Segment

I. Information about business segments

INR in Lacs

	Engineering		Chemicals		Consumer Products		Other Business		Unallocated		Total	
	31-Mar-2026	31-Mar-2025	31-Mar-2026	31-Mar-2025	31-Mar-2026	31-Mar-2025	31-Mar-2026	31-Mar-2025	31-Mar-2026	31-Mar-2025	31-Mar-2026	31-Mar-2025
Revenue												
External sales	171,649.85	166,606.65	81,763.76	77,977.57	37,934.12	29,015.29	0.28	0.54	136.12	110.79	291,484.13	273,710.84
Inter-segmental sales	4,125.95	3,775.23	5,008.22	3,857.89	7.85	-	-	-	-	-	9,142.02	7,633.12
Total revenue	175,775.80	170,381.88	86,771.98	81,835.46	37,941.97	29,015.29	0.28	0.54	136.12	110.79	300,626.15	281,343.96
Less: Eliminations											(9,142.02)	(7,633.12)
Add : Interest income									2,121.85	3,599.07	2,121.85	3,599.07
Other income	5,187.68	705.90	1,193.66	225.36	-	0.04	134.14	132.62	19.01	197.83	6,534.49	1,261.75
Total enterprise revenue											300,140.47	278,571.66
Result												
Segment results	9,023.18	10,912.23	18,230.57	20,657.42	(1,153.86)	(1,493.52)	(30.92)	(23.94)	-	-	26,068.97	30,052.19
Unallocated expenditure net of unallocated income									(6,468.05)	(3,858.46)	(6,468.05)	(3,858.46)
Finance cost									(2,400.24)	(1,345.56)	(2,400.24)	(1,345.56)
Interest income									2,121.85	3,599.07	2,121.85	3,599.07
Profit before tax, before share of profit / (loss) of associates									(6,746.44)	(1,604.95)	19,322.53	28,447.24
Other Information												
Segment assets	184,000.98	182,166.39	118,767.01	89,224.07	13,457.47	8,656.38	1,689.00	1,629.15	20,078.67	17,016.48	337,993.13	298,692.47
Segment liabilities	107,426.39	105,718.45	73,002.06	55,111.44	10,468.14	7,475.17	180.83	170.86	12,884.43	9,267.98	203,961.85	177,743.90
Capital expenditure	1,831.14	2,545.29	38,168.63	3,493.05	46.66	441.86	-	0.49	830.04	411.05	40,876.47	6,891.74
Depreciation	1,606.83	1,383.95	3,487.64	2,054.78	103.26	74.83	5.49	5.62	1,057.03	929.76	6,260.25	4,448.94
Non cash expenditure other than depreciation	1,329.94	204.75	230.57	162.88	158.87	103.10	9.01	-	632.11	53.24	2,360.50	523.97

II. Information about geographical segments

INR in Lacs

	India		Outside India		Total	
	31-Mar-2026	31-Mar-2025	31-Mar-2026	31-Mar-2025	31-Mar-2026	31-Mar-2025
External revenue	215,304.39	179,955.56	76,179.74	93,755.28	291,484.13	273,710.84
Carrying amount of segment assets	264,745.00	232,525.09	73,248.13	66,167.38	337,993.13	298,692.47
Additions to property, plant and equipment	40,601.61	6,782.41	274.86	109.33	40,876.47	6,891.74

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) Revenue from customers of the company is Nil which accounts for more than 10% of the company's total revenue for the year ended 31 March 2026 (2024-25 : Revenue from two customers of the company was INR 59,234.97 Lacs which accounted for more than 10% of the company's total revenue for the year ended 31 March 2025)

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

46. 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 (till 30th Sep 2024) - Executive Chairman (w.e.f. 1st Oct 2024) Mr. Indraneel Dutt - Managing Director (w.e.f. 1st Oct 2024) Mr. Dinesh Sharma - Executive Director (till 30th Sep 2024) Mr. Aankur Patni - Executive Director (till 30th Sep 2024)
c)	Non-executive directors	Mr. Dinesh Sharma - Vice Chairman (from 1st Oct 2024) Mr. Aankur Patni - Vice Chairman (from 1st Oct 2024) Dr. V. N. Gupchup (till 11th Sep 2024) Mr. M. P. Patni Mr. T. M. M. Nambiar (till 11th Sep 2024) Mr. P. Sampathkumar (till 11th Sep 2024) Mr. Abhiram Seth (till 11th Sep 2024) Mr. Shishir Tamotia (till 11th Sep 2024) Mrs. Kishori Udeshi (till 11th Sep 2024) Mr. David Paul Rasquinha Mr. Sanjay Joshi Mr. Amitav Guharoy (w.e.f. 11th Sept 2024) Mrs. Alka Arora Misra (w.e.f. 11th Sept 2024) Mr. Gopalaraman Padmanabhan (w.e.f. 11th Sept 2024)
d)	Relatives of key management personnel	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.
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 2026 (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		Key managerial personnel / Relative / Others		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Sale of goods **						
Aquanomics Systems Ltd.	8,505.37	7,962.11	-	-	8,505.37	7,962.11
Ion Exchange PSS Co. Ltd., Thailand	265.92	283.95	-	-	265.92	283.95
Ultrafresh Modular Solutions Limited	-	-	0.09	-	0.09	-
Ultrapure Envirocare Pvt Ltd	-	-	0.15	0.11	0.15	0.11
Total	**8,771.29**	**8,246.06**	**0.24**	**0.11**	**8,771.53**	**8,246.17**
Service rendered						
Aquanomics Systems Ltd.	1.98	1.98	-	-	1.98	1.98
Total	**1.98**	**1.98**	**-**	**-**	**1.98**	**1.98**
Management fees						
Aquanomics Systems Ltd.	136.12	110.14	-	-	136.12	110.14
Total	**136.12**	**110.14**	**-**	**-**	**136.12**	**110.14**
Purchase of goods **						
Aquanomics Systems Ltd.	1,993.41	86.83	-	-	1,993.41	86.83
Ion Exchange PSS Co. Ltd., Thailand	1.17	3.82	-	-	1.17	3.82
Total	**1,994.58**	**90.65**	**-**	**-**	**1,994.58**	**90.65**
Services received						
Aquanomics Systems Ltd.	13.87	14.98	-	-	13.87	14.98
Total	**13.87**	**14.98**	**-**	**-**	**13.87**	**14.98**
Rental income						
Ultrafresh Modular Solutions Ltd.	-	-	53.57	52.68	53.57	52.68
Ultrapure Envirocare Pvt. Ltd.	-	-	9.00	9.00	9.00	9.00
Total	**-**	**-**	**62.57**	**61.68**	**62.57**	**61.68**
Loans and advances given						
Ion Exchange PSS Co. Ltd., Thailand	-	270.54	-	-	-	270.54
Total	**-**	**270.54**	**-**	**-**	**-**	**270.54**
Loans and advances repaid						
Ion Exchange PSS Co. Ltd., Thailand	42.92	269.65	-	-	42.92	269.65
Ion Exchange Financial Product Pvt. Ltd.	-	9.00	-	-	-	9.00
Total	**42.92**	**278.65**	**-**	**-**	**42.92**	**278.65**
Dividend paid						
Aquanomics Systems Ltd.	0.15	0.15	-	-	0.15	0.15
Ion Exchange Financial Products Pvt. Ltd.	7.56	7.56	-	-	7.56	7.56
Mr. Rajesh Sharma	-	-	124.23	123.75	124.23	123.75
Mr. Dinesh Sharma	-	-	85.69	94.84	85.69	94.84
Mr. Aankur Patni	-	-	44.29	44.29	44.29	44.29
Mr. M. P. Patni	-	-	102.94	103.32	102.94	103.32
Dr. V. N. Gupchup	-	-	-	16.82	-	16.82
Mr. Abhiram Seth	-	-	-	23.22	-	23.22
Mr. T. M. M. Nambiar	-	-	-	12.48	-	12.48
Mr. P. Sampath Kumar	-	-	-	8.73	-	8.73
Mr. Shishir Tamotia	-	-	-	0.34	-	0.34
Mrs. Kishori Udeshi	-	-	-	0.54	-	0.54
Mr. Indraneel Dutt	-	-	0.17	-	0.17	-
Mr. Sanjay Joshi	-	-	0.03	-	0.03	-
Relatives of Key Management Personnel	-	-	88.18	79.04	88.18	79.04
Total	**7.71**	**7.71**	**445.53**	**507.37**	**453.24**	**515.08**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (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		Key managerial personnel / Relative / Others		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
CSR expenses						
Ion Foundation	-	-	530.10	472.42	530.10	472.42
Total	**-**	**-**	**530.10**	**472.42**	**530.10**	**472.42**
Remuneration to directors						
Mr. Rajesh Sharma	-	-	308.85	455.10	308.85	455.10
Mr. Indraneel Dutt (excluding remuneration for the period 01-Apr-2024 to 30-Sep-2024)	-	-	266.52	129.46	266.52	129.46
Mr. Dinesh Sharma	-	-	17.04	131.01	17.04	131.01
Mr. M. P. Patni	-	-	121.03	115.82	121.03	115.82
Mr. Aankur Patni	-	-	-	126.26	-	126.26
Total	**-**	**-**	**713.44**	**957.65**	**713.44**	**957.65**
Professional fees paid						
Mr. Dinesh Sharma	-	-	169.26	84.00	169.26	84.00
Mr. Aankur Patni	-	-	169.60	84.00	169.60	84.00
Total	**-**	**-**	**338.86**	**168.00**	**338.86**	**168.00**
Director sitting fees						
Mr. Rajesh Sharma	-	-	1.35	1.35	1.35	1.35
Mr. Indraneel Dutt	-	-	3.75	-	3.75	-
Mr. Dinesh Sharma	-	-	3.75	2.75	3.75	2.75
Mr. Aankur Patni	-	-	4.85	2.85	4.85	2.85
Mr. M. P. Patni	-	-	3.75	4.25	3.75	4.25
Dr. V. N. Gupchup	-	-	-	2.45	-	2.45
Mr. T. M. M. Nambiar	-	-	-	2.50	-	2.50
Mr. P. Sampath Kumar	-	-	-	1.50	-	1.50
Mr. Abhiram Seth	-	-	-	3.55	-	3.55
Mr. Shishir Tamotia	-	-	-	1.50	-	1.50
Mrs. Kishori Udeshi	-	-	-	2.00	-	2.00
Mr. David Paul Rasquinha	-	-	7.50	5.30	7.50	5.30
Mr. Sanjay Joshi	-	-	8.25	5.30	8.25	5.30
Mrs. Alka Arora Misra	-	-	4.75	2.75	4.75	2.75
Mr. Amitava Guharoy	-	-	4.50	3.50	4.50	3.50
Mr. Gopalaraman Padmanabhan	-	-	5.00	3.25	5.00	3.25
Total	**-**	**-**	**47.45**	**44.80**	**47.45**	**44.80**
Commission to executive directors						
Mr. Rajesh Sharma	-	-	160.00	400.00	160.00	400.00
Mr. Indraneel Dutt	-	-	160.00	200.00	160.00	200.00
Total	**-**	**-**	**320.00**	**600.00**	**320.00**	**600.00**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (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		Key managerial personnel / Relative / Others		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Commission to non-executive directors						
Mr. Dinesh Sharma	-	-	35.00	150.00	35.00	150.00
Mr. Aankur Patni	-	-	35.00	150.00	35.00	150.00
Mr. M. P. Patni	-	-	35.00	60.00	35.00	60.00
Mr. David Paul Rasquinha	-	-	35.00	60.00	35.00	60.00
Mr. Sanjay Joshi	-	-	35.00	60.00	35.00	60.00
Mrs. Alka Arora Misra	-	-	35.00	60.00	35.00	60.00
Mr. Amitava Guharoy	-	-	35.00	60.00	35.00	60.00
Mr. Gopalaraman Padmanabhan	-	-	35.00	60.00	35.00	60.00
Total	**-**	**-**	**280.00**	**660.00**	**280.00**	**660.00**
Contribution to post-employment benefit plans						
Ion Exchange (India) Ltd.'s Provident Institution	-	-	424.90	362.86	424.90	362.86
Ion Exchange (India) Ltd.'s Management Staff Gratuity Fund	-	-	222.50	263.21	222.50	263.21
Ion Exchange Staff Superannuation Scheme	-	-	123.45	129.13	123.45	129.13
Ion Exchange India Ltd. – Gratuity Fund Trust	-	-	10.53	26.20	10.53	26.20
Total	**-**	**-**	**781.38**	**781.40**	**781.38**	**781.40**
Advance from Customer						
Aquanomics Systems Ltd.	3.37	3.43	-	-	3.37	3.43
Total	**3.37**	**3.43**	**-**	**-**	**3.37**	**3.43**
Outstanding loans and advances						
Ion Exchange PSS Co. Ltd., Thailand	243.24	268.11	-	-	243.24	268.11
Total	**243.24**	**268.11**	**-**	**-**	**243.24**	**268.11**
Outstanding receivables (Net of payables) excluding loans and advances						
Aquanomics Systems Ltd.	2,565.82	2,260.85	-	-	2,565.82	2,260.85
Total	**2,565.82**	**2,260.85**	**-**	**-**	**2,565.82**	**2,260.85**
Outstanding payable (Net of receivables) excluding loans and advances						
Ion Exchange PSS Co. Ltd., Thailand	132.03	36.64	-	-	132.03	36.64
Total	**132.03**	**36.64**	**-**	**-**	**132.03**	**36.64**
Outstanding Remunerations payables						
Mr. Rajesh Sharma	-	-	15.20	14.28	15.20	14.28
Mr. Indraneel Dutt	-	-	10.54	9.48	10.54	9.48
Mr. M. P. Patni	-	-	5.00	5.77	5.00	5.77
Total	**-**	**-**	**30.74**	**29.53**	**30.74**	**29.53**
Outstanding Professional fees payable						
Mr. Dinesh Sharma	-	-	37.80	-	37.80	-
Mr. Aankur Patni	-	-	13.51	12.60	13.51	12.60
Total	**-**	**-**	**51.31**	**12.60**	**51.31**	**12.60**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (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		Key managerial personnel / Relative / Others		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Outstanding Commission payable to executive directors						
Mr. Rajesh Sharma	-	-	160.00	400.00	160.00	400.00
Mr. Indraneel Dutt	-	-	160.00	200.00	160.00	200.00
Total	**-**	**-**	**320.00**	**600.00**	**320.00**	**600.00**
Outstanding Commission payable to non-executive directors						
Mr. Dinesh Sharma	-	-	35.00	150.00	35.00	150.00
Mr. Aankur Patni	-	-	35.00	150.00	35.00	150.00
Mr. M. P. Patni	-	-	35.00	60.00	35.00	60.00
Mr. David Paul Rasquinha	-	-	35.00	60.00	35.00	60.00
Mr. Sanjay Joshi	-	-	35.00	60.00	35.00	60.00
Mrs. Alka Arora Misra	-	-	35.00	60.00	35.00	60.00
Mr. Amitava Guharoy	-	-	35.00	60.00	35.00	60.00
Mr. Gopalaraman Padmanabhan	-	-	35.00	60.00	35.00	60.00
Total	**-**	**-**	**280.00**	**660.00**	**280.00**	**660.00**
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.

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 2026 (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 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, IEEFL filed a fresh appeal at Securities Appellate Tribunal (SAT) on 9th February 2017 no (1) 40 0f 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. IEEFL thereafter filed a review petition before the SAT, Mumbai on 3rd December 2019 seeking correction of factual errors in the order. Additionally, based on the legal advice and pending final order from SAT on the review petition, IEEFL filed an appeal before the Hon’ble Supreme Court against SAT order on 18th February 2020. As the SAT hearing held on 19th March 2021, it was held that, there was no error apparent on the face of the record and accordingly, the review application was dismissed. Consequently, the appeal stood set aside against IEEFL. Further vide order No. 2853/2021 dated 6th December 2021, the Hon’ble Supreme Court granted liberty to IEEFL to approach Securities and Exchange Board of India and seek reconsideration of the matter by submitting additional material.

Pursuant to the above, IEEFL submitted a representation requesting reconsideration of the matter by filing additional documents through its advocates vide letter dated 2nd March 2022. Further SEBI, vide its letter dated 17th May 2022 made certain observations and has advised IEEFL to provide for additional comments / documents, which were duly submitted through their advocate vide letter dated 12th July 2022. Thereafter, SEBI appointed M/s. SKVM & Co as a forensic auditor to examine IEEFL’s documents and records and to submit a report. IEEFL furnished all required documents to the auditor. Further during the course of audit, queries raised by M/S. SKVM & Co. have been addressed by IEEFL through its counsel. Based on the report, submitted by the auditor to SEBI, SEBI has sought certain clarifications from IEEFL, which were provided. Subsequently, SEBI, vide its letter dated 16th May 2024 directed IEEFL to deposit an amount of INR 2,202 Lacs towards repayment to investors. IEEFL has represented to SEBI to reconsider the matter in line with audit findings. However, SEBI rejected the request vide email dated 7th August 2024. IEEFL has since filed an appeal before SAT, which was listed for hearing on 17th October 2024. During the hearing, the counsel for SEBI made a statement that SEBI will not initiate any recovery proceedings till the next date of hearing. The matter is currently pending, with the next hearing scheduled for 24th June 2026.

(b) Administrator’s Appointment

SEBI, vide order dated 25th April 2019 issued under the SEBI (Appointment of Administrator and Procedure for Refunding of Investors) Regulations 2018, appointed an administrator for the purpose of selling the IEEFL’s land at Goa (Quepam) and recovering the dues. However, IEEFL vide its letter dated 30th April 2019, requested the recovery office of SEBI to keep the proceedings in abeyance. In view of the subsequent developments outlined above, the said proceedings remain in abeyance and continue to be on hold as on date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

49. Security deposit for land INR 237.63 Lacs (31st March 2025: 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 2026. 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.

50. Advances for repurchase INR 323.91 Lacs (31st March 2025: 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.

51. Capital expenditure incurred on research and development during the year is INR 85.83 Lacs (2024-25: INR 153.08 Lacs). Revenue expenditure of INR 1,266.59 Lacs (2024-25: INR 1,217.63 Lacs) incurred on research and development has been expensed to the statement of profit and loss under various expense heads.

52. 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 undiscounted minimum rentals receivable under non-cancellable operating lease are as follows:

Particulars	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Within one year	172.64	171.53
After one year but not more than five years	273.06	429.09
More than five years	-	-

53. Right-of-use assets

The break-up of lease expenses are as follows

Particulars	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Short-term lease expense	466.63	203.46
Low value lease expense	-	-
Total lease expenses	**466.63**	**203.46**

The break-up of cash outflow on leases are as follows

Particulars	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Repayment of lease liabilities	795.09	521.45
Interest on lease liabilities	196.25	190.50
Short-term lease expense	466.63	203.46
Low value lease expense	-	-
Total cash outflow on leases	**1,457.97**	**915.41**

The break-up of current and non-current lease liabilities are as follows

Particulars	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Current lease liabilities	1,065.24	528.74
Non-current lease liabilities	1,713.06	1,429.74
Total	**2,778.30**	**1,958.48**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

53. Right-of-use assets (contd...)

The movement in lease liabilities

Particulars	Year ended 31st March 2026 INR in Lacs	Year ended 31st March 2025 INR in Lacs
Balance at the beginning	1,958.48	1,483.06
Additions	1,574.56	979.01
Finance cost accrued during the period	196.25	190.50
Deletions	(4.75)	-
Payment of lease liabilities	(991.34)	(711.95)
Translation difference	45.10	17.86
Balance at the end	**2,778.30**	**1,958.48**

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows

Particulars	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Less than one year	1,108.20	553.78
One to five year	1,714.97	1,227.64
More than five year	1,504.06	1,577.43
Total	**4,327.23**	**3,358.85**

54. Capital and other commitments

Estimated amount of contracts (net of advances) remaining to be executed on capital account not provided for is INR 7,774.26 Lacs (31st March 2025: INR 12,967.74 Lacs).

55. 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 2025: INR 1,100.00 Lacs)

ii) Others – INR 38.88 Lacs (31st March 2025: INR 38.88 Lacs)

(b) Demand raised by authorities against which the group has filed an appeal.

i) Income tax – INR Nil (31st March 2025: INR Nil)

ii) Excise duty – INR 28.58 Lacs (31st March 2025: INR 28.58 Lacs)

iii) Service tax – INR 499.36 Lacs (31st March 2025: INR 499.36 Lacs)

iv) Sales tax / VAT – INR 665.24 Lacs (31st March 2025: INR 780.98 Lacs)

v) GST – INR 1,440.55 Lacs (31st March 2025: INR 1,127.84 Lacs)

(c) Claims against the group arising in the course of business not acknowledged as debts (to the extent ascertainable) INR 2,102.37 Lacs (31st March 2025: 1,437.10 Lacs).

(d) Claim raised by the SEBI of INR 2,202.00 Lacs (31st March 2025: INR 2,202.00 Lacs) [Refer Note 48 (a)]

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 CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

56. 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 2026 INR in Lacs	31st March 2025 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	**11,799.36**	**5,777.76**
Interest due on above	245.37	74.99
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.	**478.44**	**233.07**
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.	-	-

57. Capital advance includes amount of INR Nil (31st March 2025: INR 25.33 Lacs) paid for acquiring furnished office premises at Hyderabad, the ownership of which was under legal dispute.

58. Equity accounted Investees

Information of interest of the group in its equity accounted investees:

	Note reference	Carrying cost	
		31st March 2026 INR in Lacs	31st March 2025 INR in Lacs
Aquanomics Systems Ltd	See note (A) below	844.96	683.38
Ion Exchange Financials Products Ltd.		1.97	0.72
Ion Exchange PSS Co. Ltd.		-	-
		846.93	**684.10**

[A] Interest in associates

(I) List of material associates of the group

Sr No	Name	Country of Incorporation	% of Voting power as at	
			31st March 2026	31st March 2025
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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

58. Equity accounted Investees (contd...)

The following table comprises the financial information of the group's material associates and their respective carrying amount.

	Aquanomics Systems Limited	
	31st March 2026 INR in Lacs	31st March 2025 INR in Lacs
Percentage ownership interest	48.42%	48.42%
Summarised financial information (Net of consolidated adjustments)		
Non-current assets	427.71	325.94
Current assets (Excluding cash and cash equivalent)	5,197.82	3,438.13
Cash and cash equivalent	1,039.05	859.94
Non Current liabilities	(519.03)	(224.61)
Current liabilities (Current liabilities other than trade payables and other current liabilities)	(193.87)	(101.35)
Trade payables and other current liabilities	(4,206.66)	(2,886.71)
Net assets	**1,745.02**	**1,411.33**
Groups share of net assets	**844.96**	**683.38**
Carrying amount of interest in associates	**844.96**	**683.38**

	Aquanomics Systems Limited	
	2025-26 INR in Lacs	2024-25 INR in Lacs
Revenue (including other income)	13,656.31	11,151.47
Depreciation and amortisation	77.07	79.90
Interest expense	23.62	27.87
Income tax expense	234.18	135.10
Other Comprehensive Income	1.99	(60.41)
Total comprehensive income	341.74	129.57
Consolidated adjustments	11.00	11.00
Groups share of profit / (loss)	169.81	99.76
Groups share of OCI	0.97	(29.25)
Groups share of total comprehensive Income	170.78	70.51
Dividend received from the associate	9.20	11.50

Contingent liabilities in respect of associates

	As at 31st March 2026 INR in Lacs	As at 31st March 2025 INR in Lacs
Contingent liabilities – VAT / Central sales tax	1,276.35	1,288.95
Contingent liabilities – Income tax	9.41	9.41

59. 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 2026	31st March 2025
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%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

59. Non-controlling interests (contd...)

The following table comprises the information relating to each of the groups subsidiaries that has material NCI, before any intra group eliminations.

31st March 2026 **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	583.27	206.94	942.97	136.73
Current assets	1,377.05	2,333.45	40.52	2,059.14
Non current liabilities	-	(117.18)	(4,113.50)	-
Current liabilities	(553.79)	(1,498.31)	(3,357.78)	(3,068.29)
Net assets	1,406.53	924.90	(6,487.79)	(872.42)
Net assets attributable to NCI	**689.20**	**369.96**	**(1,323.51)**	**(348.97)**
Revenue / Total Income	3,428.21	3,633.84	288.21	1,989.22
Profit/(Loss)	201.22	421.95	(528.68)	(269.17)
Other comprehensive income	125.95	119.09	(1.31)	(92.45)
Total comprehensive income	**327.17**	**541.04**	**(529.99)**	**(361.62)**
Profit / (Loss) allocated to NCI	**98.60**	**168.78**	**(107.85)**	**(107.67)**
OCI allocated to NCI	61.72	47.64	(0.27)	(36.98)
Total comprehensive income allocated to NCI	**160.32**	**216.42**	**(108.12)**	**(144.65)**
Cash flow from operating activities	(75.07)	1,095.72	144.31	69.22
Cash flow from investing activities	4.81	41.78	0.26	(1.78)
Cash flow from financing activities	(218.96)	(712.36)	(149.14)	19.33
Net increase /(decrease) in cash and cash equivalents	(289.22)	425.14	(4.57)	86.77
Dividends paid to Non-controlling interest	101.01	56.96	-	-

* Adapted as per Ind AS for consolidation.

31st March 2025 **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	504.24	236.59	948.36	126.79
Current assets	1,337.64	1,719.36	45.63	1,123.44
Non current liabilities	(91.71)	(180.13)	(4,107.26)	-
Current liabilities	(464.68)	(1,257.91)	(2,844.53)	(1,761.04)
Net assets	1,285.49	517.91	(5,957.80)	(510.81)
Net assets attributable to NCI	**629.89**	**207.16**	**(1,215.39)**	**(204.32)**
Revenue / Total Income	2,827.53	2,707.37	265.27	1,885.98
Profit/(Loss)	190.88	340.22	(489.40)	(227.43)
Other comprehensive income	51.61	7.83	(0.87)	(10.02)
Total comprehensive income	**242.49**	**348.05**	**(490.27)**	**(237.45)**
Profit / (Loss) allocated to NCI	**93.53**	**136.09**	**(99.84)**	**(90.97)**
OCI allocated to NCI	25.29	3.13	(0.18)	(4.01)
Total comprehensive income allocated to NCI	**118.82**	**139.22**	**(100.02)**	**(94.98)**
Cash flow from operating activities	50.09	605.48	(107.16)	41.53
Cash flow from investing activities	16.12	11.66	151.31	10.61
Cash flow from financing activities	(200.72)	(60.62)	(33.86)	(22.79)
Net increase /(decrease) in cash and cash equivalents	(134.51)	556.52	10.29	29.35
Dividends paid to Non-controlling interest	96.58	-	-	-

* Adapted as per Ind AS for consolidation

<u>Aggregate carrying amount of individually immaterial</u> **INR in Lacs**

	31st March 2026	**31st March 2025**
Aggregate amount of NCI's share of profits/loss	1.81	5.01
Aggregate amount of NCI's share of other comprehensive income	(0.13)	(0.34)
Aggregate amount of NCI's share of total comprehensive income	1.68	4.67

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

60. 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.

61. In the financial year 2018-19, Ion Exchange Environment Management Ltd. (IEEML) a joint venture of the company became a wholly owned subsidiary of the company w.e.f. 20th August 2018. On such acquisition, a goodwill on consolidation of INR 863.10 Lacs was created in FY 2018-19. IEEML was amalgamated with Ion Exchange (India) on 21st February, 2024. The relevant assets of the amalgamating company are used by the environment division of the Company for effluent treatment plant (ETP) contracts. The abovementioned goodwill is considered as recoverable, based on assessment of the performance of this division, for the year ended 31st March, 2026.

The group acquired Mapril - Produtos Químicos e Máquinas Para A Industria, LDA on 22nd June 2023. The purchase price was allocated as per valuation report and Goodwill of INR 157.52 Lacs was recognised on acquisition.

62. 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 2026		As at 31st March 2025	
	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	243.24	100%	268.11	100%

63. Corporate Social Responsibility expenses (CSR):

A. Gross amount required to be spent by the group during the year INR 530.87 Lacs (2024-25: INR 486.76 Lacs).

B. Amount approved by the committee to spent during the year INR 530.87 Lacs (2024-25: INR 486.76 Lacs).

C. Amount spent during the year ending 31st March 2026: **INR in Lacs**

		In cash	Yet to be paid in cash	Total
(i)	Construction / Acquisition of any assets	-	-	-
(ii)	Purpose other than (i) above	530.87	-	530.87
	Total	**530.87**	**-**	**530.87**

Amount spent during the year ending 31st March 2025 **INR in Lacs**

		In cash	Yet to be paid in cash	Total
(i)	Construction / Acquisition of any assets	-	-	-
(ii)	Purpose other than (i) above	486.76	-	486.76
	Total	**486.76**	**-**	**486.76**

D. Shortfall at the end of the year: INR Nil (31st March 2025: 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, Rural development, Skill development, sports.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

63. Corporate Social Responsibility expenses (CSR) (contd....)

G. Related party transaction in relation to Corporate Social Responsibility: INR 530.10 Lacs (2024-25: INR 472.42 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 (31st March 2025: INR Nil)

64. Statement of net assets, profit and loss and other comprehensive income attributable to owners and non-controlling interest for the year ending 31st March 2026

	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	91.62	138,964.21	98.43	13,837.92	1.13	(60.61)	158.36	13,777.31
	Subsidiaries									
1	Ion Exchange Enviro Farms Ltd.	India	(4.28)	(6,487.79)	(3.76)	(528.68)	0.03	(1.31)	(6.09)	(529.99)
2	Watercare Investments (India) Ltd.	India	3.68	5,581.40	0.25	35.48	44.54	(2,386.91)	(27.03)	(2,351.43)
3	Aqua Investments (India) Ltd.	India	5.06	7,668.75	0.33	46.88	61.41	(3,291.15)	(37.29)	(3,244.27)
4	Ion Exchange Asia Pacific Pte. Ltd.	Singapore	0.41	625.19	0.53	74.59	-	-	0.86	74.59
5	Ion Exchange Asia Pacific (Thailand) Ltd.	Thailand	(0.47)	(711.33)	0.25	35.55	-	-	0.41	35.55
6	PT Ion Exchange Asia Pacific	Indonesia	(0.02)	(30.52)	(0.19)	(26.96)	-	-	(0.31)	(26.96)
7	Ion Exchange Environment Management (BD) Ltd.	Bangladesh	0.17	264.47	(0.89)	(124.51)	-	-	(1.43)	(124.51)
8	Ion Exchange WTS (Bangladesh) Ltd.	Bangladesh	-	(6.47)	-	(0.41)	-	-	-	(0.41)
9	Ion Exchange LLC	USA	1.54	2,332.91	1.45	203.28	-	-	2.34	203.28
10	Ion Exchange And Company LLC	Oman	0.93	1,406.53	1.43	201.22	-	-	2.31	201.22
11	Ion Exchange Projects And Engineering Ltd.	India	(1.45)	(2,204.09)	0.11	15.20	0.77	(41.43)	(0.30)	(26.23)
12	Total Water Management Services (India) Ltd.	India	0.06	83.34	-	0.36	-	-	-	0.36
13	Ion Exchange Safic Pty. Ltd. *	South Africa	0.61	924.89	3.00	421.95	-	-	4.85	421.95
14	Ion Exchange Purified Drinking Water Pvt. Ltd.	India	0.66	1,006.07	1.90	266.32	-	-	3.06	266.32
15	Ion Exchange Arabia For Water	Saudi Arabia	(0.58)	(872.43)	(1.91)	(269.17)	-	-	(3.10)	(269.17)
16	Ion Exchange Europe LDA	Portugal	0.13	201.49	(0.20)	(27.63)	-	-	(0.32)	(27.63)
17	Mapril - Produtos Químicos e Máquinas Para A Industria, LDA *	Portugal	1.93	2,927.13	(0.73)	(102.43)	(7.88)	422.29	3.68	319.86
			100.00	**151,673.75**	**100.00**	**14,058.96**	**100.00**	**(5,359.12)**	**100.00**	**8,699.84**
	a) Adjustment arising out of consolidation			(17,642.47)		89.99		5,256.08		5,346.07
	b) Movement in foreign currency translation reserve							801.00		801.00
	c) Share in profit / (loss) of associates					171.07		0.97		172.04
	Total			**134,031.28**		**14,320.02**		**698.93**		**15,018.95**

* Adapted as per Ind AS for Consolidation

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

65. 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 2026 INR in Lacs	As at 31 March 2025 INR in Lacs	
Al Ashraf Bhani Construction Pvt Ltd	Payable	3.04	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	Not applicable
Steelmen Infratech Pvt. Ltd.	Payables	7.20	7.20	Not applicable
Untt Infratech Pvt. Ltd.	Payables	3.92	3.92	Not applicable
Haryana Organics Pvt Ltd	Receivables	3.48	3.48	Not applicable

66. Other Statutory Information

(i) The group does not have any benami property, where any proceeding has been initiated or pending against the group for holding any benami property.

(ii) The group does 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 has 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 has 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 does not have 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 CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March 2026 (contd...)

67. Subsequent events

No material adjusting / Non adjusting subsequent 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 69.

68. 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.

69. Dividends

	31st March 2026 INR in Lacs	**31st March 2025 INR in Lacs**
Proposed dividends on equity shares (excluding for shares held by subsidiaries)		
For the year 2025-26 - INR 1.25 per share	1,778.60	-
For the year 2024-25 - INR 1.50 per share	-	2,134.32
Less: Dividend on treasury shares	(296.70)	(356.04)
	1,481.90	**1,778.28**

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.

As per our report of even date attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

For and on behalf of the board of directors of
ION EXCHANGE (INDIA) LIMITED
CIN - L74999MH1964PLC014258

PALLAVI SHARMA
Partner
Membership No.: 113861

RAJESH SHARMA
Executive Chairman
DIN - 00515486

INDRANEEL DUTT
Managing Director & CEO
DIN - 01942447

M. P. PATNI
Director
DIN - 00515553

NIKISHA SOLANKI
Company Secretary
Membership No.: A50894

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 26th May 2026

Place : Mumbai
Date : 26th May 2026

FORM AOC - 1

[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

INR in Lacs

Sr. no.	Name of the subsidiary	The date since when subsidiary	Financial year ending on	Country of incorporation	Reporting currency	Exchange rate as at 31.03.2026	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 comprehensive income	Total comprehensive income	Dividend paid	% of shareholding
1	Ion Exchange Enviro Farms Ltd.	21.08.1997	31.03.2026	India	INR	1.00	69.47	(6,557.26)	983.49	7,471.28	-	288.21	(528.68)	-	(528.68)	(1.31)	(529.99)	-	79.60
2	Watercare Investments (India) Ltd.	01.04.1999	31.03.2026	India	INR	1.00	178.02	5,403.38	6,214.50	633.10	5,898.06	47.60	46.84	11.36	35.48	(2,386.91)	(2,351.43)	-	99.43
3	Aqua Investments (India) Ltd.	01.04.1999	31.03.2026	India	INR	1.00	177.02	7,491.73	8,541.73	872.98	8,132.27	8,132.72	61.89	15.01	46.88	(3,291.15)	(3,244.27)	-	99.42
4	Ion Exchange Asia Pacific Pte. Ltd.	12.08.2004	31.03.2026	Singapore	USD	94.6543	1,871.35	(1,246.16)	2,571.21	1,946.02	163.28	1,833.15	74.59	-	74.59	-	74.59	-	100.00
5	Ion Exchange Asia Pacific (Thailand) Ltd. *	12.04.2007	31.03.2026	Thailand	THB	2.86150	114.46	(825.79)	910.78	1,622.11	-	642.63	39.43	3.88	35.55	-	35.55	-	100.00
6	PT Ion Exchange Asia Pacific *	01.08.2017	31.03.2026	Indonesia	IDR	0.005524	138.15	(168.66)	838.91	869.42	-	806.21	(26.96)	-	(26.96)	-	(26.96)	-	95.00
7	Ion Exchange Environment Management (BD) Ltd.	01.04.2006	31.03.2026	Bangladesh	BDT	0.7570	42.29	222.18	846.50	582.03	-	560.12	(108.20)	16.31	(124.51)	-	(124.51)	-	100.00
8	Ion Exchange WTS (Bangladesh) Ltd.	31.01.2010	31.03.2026	Bangladesh	BDT	0.7570	20.79	(27.26)	-	6.47	-	-	(0.41)	-	(0.41)	-	(0.41)	-	100.00
9	Ion Exchange LLC	01.03.2007	31.03.2026	USA	USD	94.6543	662.58	1,670.33	3,961.86	1,628.95	-	5,204.50	286.99	83.71	203.28	-	203.28	-	100.00
10	Ion Exchange And Company LLC	01.08.2006	31.03.2026	Oman	OMR	243.2850	729.86	676.67	1,980.15	573.62	542.40	3,428.21	233.21	31.99	201.22	-	201.22	206.13	51.00
11	Ion Exchange Projects And Engineering Ltd.	11.04.2011	31.03.2026	India	INR	1.00	1,521.52	(3,725.62)	547.77	2,751.87	9.84	5,703.48	15.20	-	15.20	(41.43)	(26.23)	-	99.58
12	Total Water Management Services (India) Ltd.	01.04.2012	31.03.2026	India	INR	1.00	10.89	72.45	85.55	2.21	-	74.93	0.61	0.25	0.36	-	0.36	-	70.19
13	Ion Exchange Safic Pty. Ltd. **	01.07.2012	31.03.2026	South Africa	ZAR	5.50028	0.17	924.72	2,540.39	1,615.50	-	3,633.84	581.11	159.16	421.95	-	421.95	142.39	60.00
14	Ion Exchange Purified Drinking Water Pvt. Ltd.	25.09.2013	31.03.2026	India	INR	1.00	1.00	1,005.07	1,358.21	352.14	-	1,714.77	328.17	61.85	266.32	-	266.32	-	100.00
15	Ion Exchange Arabia for Water	20.11.2019	31.03.2026	Saudi Arabia	SAR	25.7694	515.39	(1,387.82)	2,195.86	3,068.29	-	1,989.22	(269.17)	-	(269.17)	-	(269.17)	-	60.00
16	Ion Exchange Europe LDA	13.05.2022	31.03.2026	Portugal	EUR	109.0064	5.45	196.04	205.08	3.59	-	-	(27.63)	-	(27.63)	-	(27.63)	-	99.98
17	Mapril - Produtos Químicos e Máquinas Para A Industria, LDA **	22.06.2023	31.03.2026	Portugal	EUR	109.0064	1,211.61	1,715.52	16,629.40	13,702.27	38.15	14,772.00	(136.01)	(33.58)	(102.43)	422.29	319.86	-	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 : None

Subsidiaries liquidated or sold during the year : None

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	31.03.2026	31.03.2026	31.03.2026
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)	145.00	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)	844.96	348.26	(175.08)
7	Total Comprehensive income			
	i. Considered in consolidation # (INR in Lacs)	341.74	5.22	27.38
	ii. Not considered in consolidation (INR in Lacs)	-	(653.84)	-

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
CIN - L74999MH1964PLC014258

RAJESH SHARMA
Executive Chairman
DIN - 00515486

INDRANEEL DUTT
Managing Director & CEO
DIN - 01942447

M. P. PATNI
Director
DIN - 00515553

NIKISHA SOLANKI
Company Secretary
Membership No.: A50894

VASANT NAIK
Chief Financial Officer

Place : Mumbai
Date : 26th May 2026

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Ion Exchange (India) Ltd.

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• **Delhi:** 011-3054 3200 • **Gurugram:** 0124-427 2661 • **Noida:** 0120-456 6444 • **Chennai:** 044-3910 2919
• **Bengaluru - Mahadevpura:** 080-2204 2888 • **Bengaluru - R.T.Nagar:** 080-4128 3534 / 41 • **Mysore:** 0821-424 6767 • **Hyderabad:** 040-3066 3101

Ion Exchange (India) Ltd.

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Email : zerob@ionexchange.co.in | Web : www.zerobonline.com ZeroB Pure Water Solutions Zero B Water Purifier

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Supporting Project Anando: Empowering underprivileged
rural children through education, holistic development and employability
Light of Life Trust, Maharashtra

Tree Plantation Initiative
TSWR Centre of Excellence (Girls), Chitkul, Telangana

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Irrigation Support
Keshav Srushti, Maharashtra

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Children
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