

November 21, 2020

To,

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

BSE Company Code: 500214

Dear Sir/ Madam,

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

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

The said conference call with the Institutional Investor/Analyst on Thursday, November 12, 2020 was to discuss the financial performance of the Company for the second quarter ended September 30, 2020. The aforesaid information is also disclosed on website of the company i.e. www.ionindia.com.

Kindly take the information on your record

Thanking You,

**Yours faithfully,
For Ion Exchange (India) Limited**

**Milind Puranik
Company Secretary**

Ion Exchange Limited
Q2FY21 Earnings Conference Call
November 12, 2020

Moderator: Ladies and gentlemen, good day and welcome to the Ion Exchange India Limited Q2FY21 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' and then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Anuj Sonpal from Valorem Advisors. Thank you and over to you, sir.

Anuj Sonpal: Thank you, Steve. Good afternoon everyone and a warm welcome to you all. My name is Anuj Sonpal from Valorem Advisors. We represent the Investor Relations of Ion Exchange India Limited. On behalf of the company, I would like to thank you all for participating in the company's earnings conference call for the second quarter and first half of the financial year 2021.

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

I would now like to introduce you to the management participating with us in today's earnings call. We have with us, Mr. Aankur Patni - Executive Director; Mr. N. M. Ranadive - Executive Vice President of Finance; Mr. Vasant Naik - Senior Vice President of Finance and Mr. Milind Puranik, Company Secretary. I now request Mr. Vasant Naik to give his opening remarks. Thank you and over to you, sir.

Vasant Naik: Thank you, Anuj. Good afternoon everybody. It is a pleasure to welcome you to the earnings conference call for the second quarter and the half year ended for the financial year 2021. First, let me take you through the second quarter financial performance of our company on a consolidated basis. The operating income for the quarter was INR 3,900 million which is a decrease of approximately 5% on a year-on-year basis. Operating EBITDA reported was INR 410 million, an increase of about 25% on year-on-year basis. Operating EBITDA margin stood at 10.51% which improved by 247 basis points year-on-year. Net profit after tax reported was INR 266 million which grew by 4% on a year-on-year basis. The PAT margins were around 6.82% which improved by 50 basis points on a year-on-year basis. There has been an improvement in the performance of Q2 of the current financial year as compared to Q1 of current financial year due to the gradual resumption of economic activity post the progressive

relaxation announced by the government in post-COVID lockdown measures. Currently, all our manufacturing operations and offices at most of the locations are functional to a substantial extent.

I will now take you through the quarterly segmental performance on a consolidated basis. In the engineering division, the revenue for the quarter was INR 2,635 million, a decline of 5%. The EBIT was INR 167 million, down by about 13%. The order intake remained muted during the quarter, but is expected to improve in the balance 2 quarters of this financial year. Order execution of ongoing engineering orders picked up pace post easing of the lockdown measures resulting in improved sales and margins. Supplies and civil works are progressing satisfactorily for the Sri Lanka project. Revenue has been recognized in the quarter based on work progress.

In the chemical division, the revenue for the quarter was INR 1,122 million down by 3% on a year-on-year basis. The EBIT was INR 226 million, an increase of 34% on a year-on-year basis. Sales and dispatches in the chemical segment are gradually coming back to pre-COVID level. The margin improved due to the higher turnover compiled with operational efficiencies, favorable price movements and benefits on account of improved product mix.

Lastly, in the consumer segment, the revenue for the quarter was INR 222 million and loss for the quarter was INR 8 million. Here, certain segments continue to remain affected due to aftereffects of the COVID lockdown measures thereby impacting the volume.

Talking about the half yearly performance for the financial year 2021 on a consolidated basis, the operating income was INR 6,552 million, a decrease by approximate 10% on a year-on-year basis. The operating EBITDA reported was INR 722 million and increase of about 29% on a year-on-year basis and the EBITDA margin stood at 11.02%, an improvement by 344 basis points on a year-on-year basis. Net profit after tax reported were INR 441 million, a growth of 13% on a year-on-year basis. PAT percentages were 6.73% which improved by 139 basis points on a year-on-year basis.

With these opening remarks, we can now open the concall for question and answer session.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of KaushalDedhia from Standard Chartered Bank. Please go ahead.

KaushalDedhia: I have couple of questions, firstly, sir, what is the order backlog and how much is the Sri Lanka order?

Management: Backlog as of 30th September is 612 crores.

KaushalDedhia: And Sri Lanka order?

Management: Backlog is over 500 crores.

KaushalDedhia: So how much of the Sri Lanka order was executed in this quarter, sir?

Management: 117 crores.

KaushalDedhia: Sir and my second question is with respect to Sri Lanka order and Vedanta order, so are we facing any delayed penalties with any due to this COVID-19 or how is it?

Management: The execution of the Sri Lanka job was affected due to the lockdowns imposed in Sri Lanka, but now the job is progressing as per the schedule.

KaushalDedhia: There are no delay penalties being accrued, right?

Management: Yes.

Moderator: Thank you. The next question is from the line of Madhusudhan Reddy, an Individual Investor. Please go ahead.

Madhusudhan Reddy: Sir, my question is regarding the chemical division ramp up of the capacity, are you planning any chemical because we are getting good margins in our chemical this thing, so are you planning any ramp up of the chemical division capacity?

Management: The Chemical segment has continued on its good performance We have been adding capacity in our chemical line on a modular basis depending on the product specific capacity utilization and this will continue in the current year also.

Madhusudhan Reddy: Any substantial increase of the capacity, are you planning. In one of the investor's calls I think there was a mention of some 100 crores with capacity addition which you are planning?

Management: We remain committed to the Greenfield expansion in the near future as mentioned in the earlier concalls. We are still evaluating the market dynamics and the situation post COVID and we expect to take a view in the 4th quarter .

Madhusudhan Reddy: Regarding this engineering division, are you looking at ramping up of order inflow, particularly big orders from international clients, what is your take on that?

Management: Certainly! We are looking at ramping up the order inflow in the engineering segment. We are quite hopeful of making some breakthroughs within this quarter in the domestic as well as some in the international markets. We are sure that we will see a good growth coming in terms of order inflow and revenues in the next year.

Moderator: Thank you. The next question is from the line of Ayush Mittal from Mittal Analytics. Please go ahead.

Ayush Mittal: I missed your Sri Lankan order booking number in this quarter, was it 18 crores or 80 crore?

Management: No, Sri Lanka order backlog as of September is more than 500 crores.

Ayush Mittal: And our order book apart from Sri Lanka is around 612 crores you mentioned?

Management: 612 crores.

Ayush Mittal: Correct, so based on that our order booking in H1 apart from Sri Lanka has been around 233 crores and if we close the year at around 640 odd crores apart from Sri Lanka order book and we have booked around 34, I am guessing we have received around 200 crores of order in H1 as well?

Management: In H1, the total order inflow was Rs 182 crores .

Ayush Mittal: Any substantial order from this or if you can divulge from where did we get this order?

Management: The orders were in the regular course. No reportable large order was booked.

Ayush Mittal: Regular orders and in what time do we expect to finish the current order backlog excluding Sri Lanka?

Management: On an average, the execution cycle for the orders expected to be 18 months to 24 months.

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

Sunil Kothari: Sir, my one request and suggestion is every time in the call people try to understand order execution, order inflow, order pending and all, so if we put up one additional slide in the presentation that will be really of a great help, so if you can accommodate, please?

Management: Sure, we will look into this suggestion.

Sunil Kothari: Sir, my request or my question is to Mr. Patni is, during last, may be a year or two, the things at a global level, domestically also things are changing in terms of competition, manufacturing, outsourcing from India is also increasing, chemical segment is doing bigger opportunity outside the world, so would you like to comment on both these division, in general terms how things are changing, actually on the ground things are materializing and how you are seeing outlook?

Management: The overall landscape of opportunity for Ion Exchange and for large number of Indian companies has improved over the past few quarters and couple of years. We are certainly expecting a substantial growth in our export revenues from the chemical segment. We expect both engineering and chemical segments to continue growing at a reasonably good pace in the international market. The product mix is also seeing gradual improvements in our favour. As the COVID impact on the global economy recedes, the visibility of the international business will improve and we will see further growth during the coming quarters. Obviously, in the first two quarters business was muted not just domestically, but internationally also. This should change substantially as we move towards the next year.

Sunil Kothari: And sir, do we have enough capacity for chemical segment because since last 4 to 5, 6 quarters, our chemical segments revenue is roughly between 100 and 115 crores, so is there a question of this COVID related matter or demand or may be production constraint, if you can throw some light on that?

Management: We had expanded capacity in our resin factory in the last month of the FY19-20 and that expanded capacity is now available to us. As the months pass by, the capacity utilization would go up and as announced earlier, we will be considering further expansion that is on Greenfield level. We are likely to reconsider the timing of the greenfield expansion during the last quarter of the current financial year. So we hope not to have capacity constraints as and when the market opportunity matures. We have adequate capacity for the other chemicals apart from resins. We will be able to cater to the increased market opportunity.

Sunil Kothari: Sir, third my question is, during the AGM, we conveyed that we are also planning to consolidate our Indian subsidiaries, we have 8 subsidiaries and 2 associate, so any thoughts, because it will help us lot in terms of adversity work and it will improve our corporate governance and image also, so if you can throw some light on those projects?

Management: Yes, we are working towards consolidating some of the subsidiary operations. There is active progress on at least a couple of them. We will advise you as and when these near maturity. I am hopeful that towards the first quarter of the next financial year, at least two of them would have merged into the main company.

Sunil Kothari: And my last question sir, our receivables is roughly 493 crores, would like to know sir how much is older by may be 3 to 6 months, because we don't require to, we are not providing, we are not losing money in terms of bad debt, that is really good job but would like to know out of this 500 crore, how much is more than 6 months old?

Management: We will try and provide you some sense of this data at a later date.

Sunil Kothari: But you don't see any major risks to receivable, right sir?

Management: No.

Moderator: Thank you. The next question is from the line of KaushalDedhia from Standard Chartered Bank. Please go ahead.

KaushalDedhia: Sir, I missed asking on the bid pipeline numbers, what would be the bid pipeline as on September?

Management: Bid pipeline is 4,500 crores.

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

Sunil Kothari: Sir, these are some general questions, normally when industry comes out of some tougher time, challenging time, then initially new order comes at a very low margin, because nobody has order, I am talking about engineering division, so people think at a very low rate also, people try to take orders, so any thoughts on these type of competitive scenario you see in near terms because what I understand since long we are also taking good effort to get big and good orders, but that is not converting actual signing off a MoU, so any thoughts on pricing and competition?

Management: We are quite hopeful that we should be able to announce significant breakthroughs by the end of this quarter. We continue to remain conservative. We avoid the tendency to pick up orders at lower margins and also prefer not to pick up orders just for the sake of filling the books. In the long run, we do have to execute these orders and they may constraint our capacity to invoice the more profitable orders. So we prefer to be selective about the orders we want to pursue aggressively and profitability is an important criteria which we use for the selection.

Sunil Kothari: Sir, my last question is, what type of execution we are expecting from Sri Lankan order during this year, we have done really good during first half?

Management: As informed earlier, we expect turnover to be in the region of 400 crores for the entire year, of which 200 crores already we have finished and we hope, unless there are further lockdowns/restrictions due to the Covid pandemic, we should be in the position to complete 400 crores by year end.

Sunil Kothari: But we will not be increasing our execution further in second half?

Management: Our endeavour will be to exceed this target, but in the current situation it is difficult to commit.

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

VikasGoyal: Sir, how much is our production capacity of resins in terms of cubic meter?

Management: Just under 3000 per month.

VikasGoyal: That means 36,000 meter cubic per annum.

Management: Yes.

VikasGoyal: But what about our capacity utilization during this quarter, sir? For resins and chemicals both?

Management: It was in the region of around 65% roughly.

VikasGoyal: In resins?

Management: In resins as well as in the chemical division..

VikasGoyal: And sir, my third question is regarding membranes, we are booking the revenues of membranes in chemical division or engineering division, sir?

Management: Engineering.

VikasGoyal: And sir, my last question is regarding solid waste management. Yesterday, Finance Minister has announced that they are opening up viable gap funding projects in this waste water treatment and solid waste management, so can you throw some light on this how it is going to benefit our company, she has just yesterday announced it?

Management: We are evaluating the announcements made The government has been working on this area through various ministries and various initiatives. I am sure the industry will see better times going forward on this account.

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

Ajay Sharma: I just had a few short questions. The first one was, would you provide some insight as to where the incremental revenues for Q2 have come from, which segment of the economy?

Management: New order bookings have come from across various industrial sectors. The ones which have done relatively better include the chemical industry, the pharma industry, the food and beverage and the sugar industry, the distilleries etc..and some of the other medium and small segment users. In contrast, industries like hospitality segment , the textile industry and a few others have been suffering.

Revenues in the Chemical segment and Service revenues have been from a more wide spectrum of industrial segments . The big investments from the core sector industries have been slow for some time. I am hopeful that, with the economy coming back to normalcy, we will see much improved orders from almost all segments of the economy in the coming quarters.

Ajay Sharma: I was just asking roughly what proportion of the revenues would be from the public sector and what from the private sector?

Management: We cannot comment specifically on the exact percentage share but what we can say is that we have a fair share of the revenue from the public sector units. **Ajay Sharma:** And my final question is, if I heard you correctly, you said that your bid pipeline was in excess of 4000 crores, right?

Management: Yes, that is right.

Ajay Sharma: And in some previous concall, the management has guided that the company expects about 20% a target, 20% acceptance rate for the bid, right?

Management: Yes, approximately 20% it is correct.

Ajay Sharma: So would I be right in saying that the company is looking to expand its order book by 600-700 crores?

Management: Yes, the enquiry bank would mature over varying periods of time. The typical quarterly order inflow that we see is about 100 to 120 crores and the relatively more unpredictable larger order inflows would add to this number from time to time.. Also, please recall that the end of

period order book position does not always show the movement of the short cycle orders are received as well as executed within the quarter.

Moderator: Thank you. The next question is from the line of Lakshminarayanan from ICICI Asset Management. Please go ahead.

Lakshminarayanan: Couple of things. First, just want to understand do you have any customer concentration on the chemical business and also on the engineering business, when I say concentration, I just want to understand the top 5 clients, how much they have contributed of revenues in chemicals and also in the engineering business?

Management: No significant concentration of chemical revenues to a single customer. The customer base is actually pretty widespread. That may change if and when ongoing discussions for large contracted supply to some major global customers mature. As of date, there is no significant single customer that accounts for more than say something like 15% .

Lakshminarayanan: And any sector concentration you have in engineering business or in terms of the chemical business?

Management: The entire chemical segment is pretty widespread in terms of the number of industries which we address; however, the core sector industry tends to be the larger consumers of these chemicals. So when I say core sector, I am talking about power or steel or fertilizer or oil and gas industry. they typically tend to give larger sized orders. But then again the overall basket is pretty widespread and I would not say that any one of these sectors would be hogging the order book or the invoicing.

Lakshminarayanan: First is, in your chemical business, what is split of domestic and exports and also in the chemical business, what is the kind of repeat client order you get whether it is over 90% or if it is OpEx related thing, it will be even more just wanted to understand that bid, exports and your repeat revenues from your existing clients in chemical business?

Management: Let me address the second part first. The repeat business is pretty strong, it would be more than 85% or so wherein customers would be renewing their contracts with us or they would be buying from us consistently. The export revenue as a part of the overall business of the chemical segment, Vasant, can you share that number?

VasantNaik: It is in the region of 30 to 40%. That is the normal range of the export share in the total chemical business.

Moderator: Thank you. The next question is from the line of Abhisar Jain from Monarch AIF. Please go ahead.

Abhisar Jain: Sir, just wanted to understand on the consumer product segment about your plans going ahead because that segment has continued to remain under water and we have made 7 crore EBIT last year, though we are better off in first half, but also may be because of low revenues, if you can just throw some light on what are the plans ahead for this division because it could make good difference to our overall profitability?

Management: I think we are quite hopeful that this segment would do well in the coming times. We are excited about some of the new products that we are promoting in this segment and also looking at significant growth coming out of the rural market. While I cannot commit on the year end turnaround on EBITDA front, but we are working towards making the entire segment

turn EBITDA positive very shortly. And hopefully, we will cross the 150 crores mark on this segment also in the coming year.

Abhisar Jain: So would it be fair to assume that because of the response that you are getting into the efforts that you have made in the new products, the next fiscal year at that kind of run rate of revenue that you mentioned would be EBITDA and equal to EBITDA positive?

Management: That is right, we will expect that the next year would be EBITDA positive.

Abhisar Jain: Sir, just a follow up on that so this division as such with that turnaround possibility would continue to remain COVID business division for us, right or would we then look at what kind of ROE/ROCEs are possible and then may be a possible diversity share for this?

Management: No, it is an important segment for us and the various sub-segments offer very good potential in the coming times. We remain committed to this segment and expect it would contribute significantly in coming times.

Moderator: Thank you. The next question is from the line of Chirag Patel, an Individual Investor. Please go ahead.

Chirag Patel: I have a few questions. Going forward, how we look our export business? Are we emphasizing more effort towards export business or most of it towards Indian domestic business?

Management: Our endeavour is to expand our international market presence, both physically and in terms of our overall revenues from this zone. As we have mentioned earlier, we already have significant presence in South East Asia, Middle East, Sri Lanka, Africa and also our reach is quite good in the North America and Europe. We hope to consolidate this further. Even though the Indian market is significant component of the market, the size of the international market is obviously much more than India. Therefore, while we continue to grow in India, but as a percentage I would expect the international business to grow even more.

Chirag Patel: Is it you receive business in overseas market compared to India from your experience?

Management: Is it easy to receive business, that is what you ask?

Chirag Patel: And what difficulties and more efforts you put, where you deal with Indian clients, which not required essentially in foreign or overseas market?

Management: Each market has its own individual requirements and it is not necessarily bad or better, you just have to deal with whatever that market requires you to do, and comply with the formalities. We need to be concerned about the overall margin profile and the possibility of delinquencies. That is apart from the other inherent risks associated with that region or geography. Indian markets obviously have their own challenges and I think we, over the years, have learnt to adapt to the various geographies that we work in.

Moderator: Thank you. The next question is from the line of Lakshminarayanan from ICICI Asset Management. Please go ahead.

Lakshminarayanan: Sir, I just want to understand this cash flow part. The operating cash flows have been very strong versus the CAPEX of around 7 crores or so, just wanted to understand whether this kind of cash flow generation can continue and that whether the capacity expansion in Patancheru other place as you will continue to take up in the next 2-3 years? The second question is that, if I look at the Sri Lanka order which is quite a large one, just wanted to understand what is the attribution to profit if you look at the next 3 years cumulatively in a

range of what would be dependent on this Sri Lanka project? And the third is that when I look at your balance sheet, there are lot of associate companies where your interest, like Aquanomics for example, your interest is less than 50% or so, so just wanted to understand who are the other investors in these firms or is it the same some other group company in the same list of things, so these are three questions from my side, one is on cash flow, second on dependence of Sri Lanka and the third is the associate companies?

Aankur Patni: On the cash flow front, I think we should be in a position to continue relatively good performance in the coming period also. We remain committed to investing in capacity expansions and other de-bottlenecking exercises. This typically happens on the chemical plants, resin as well as the industrial chemical plants as well as our engineering facilities in Hosur and Goa. So barring the interruptions caused by the current pandemic, the investments would continue into the future. The other question which you asked was...

Lakshminarayanan: Approximately, what CAPEX you do on, if you look at the block of next three years or 5 years what kind of CAPEX you would envisage every year?

Aankur Patni: I think this year we are looking at somewhere between 20 and 25 crores and thereabouts, but in the coming years, we are quite hopeful that we would be able to take up the Greenfield expansion of our resin facility which would be a slightly bigger ticket investment. It should be an investment of more than 100 crores and besides that, there would be capital expenditures undertaken in the other facilities as well. So the next year number should be in the vicinity of roughly around 130 to 150 crores. You had the other question to do with consolidation of revenue from Sri Lanka that is right?

Lakshminarayanan: Yes, Sri Lanka broadly how much of your profits, EBIT contribution you would expect from Sri Lanka as an organization, the range would be helpful?

Aankur Patni: I am afraid we do not share contract wise details of profitability.

Lakshminarayanan: And this Sri Lanka project how long it would take, in the next 3 years or 2 years it should be in a position because you said the run rate is around 100 crores, so is it safe to assume that by mid of next year the project would be over?

Aankur Patni: Yes, I expect the project to be over by the first quarter of next year.

Lakshminarayanan: The last question in terms of your associate companies, just want to understand when your ownership is X% who owns the rest?

Management: This is an associate company as described. The shareholding is largely in control of the management team.

Lakshminarayanan: The existing management of Ion Exchange would actually own that in that capacity?

Management: Management team includes senior functionaries from the company and group companies.

Moderator: Thank you. The next question is followup from the line of Madhusudhan Reddy, an Individual Investor. Please go ahead.

Madhusudhan Reddy: My question is regarding NSE listing that is one question. When are you expecting NSE listing of our shares of the company? Question number two, the chemical division margins this quarter, are you confident of maintaining that margins in future? Another question, third one is regarding our legal issues which we are facing in our Ion Exchange Enviro Solutions

Company where exactly when we can find a solution to that, just want your thought on these three things?

Management: Enviro firm, we have already appealed against the SAT Order in the Supreme Court and it is pending for hearing.

Madhusudhan Reddy: When are you expecting to find a solution to this contract?

Management: We are trying our best to get it listed at the earliest.

Madhusudhan Reddy: And then regarding NSE listing and then this chemical division margins?

Management: NSE listing, we would be considering the possibility of this shortly and advise on the developments as and when the Board takes it up and decides to go ahead.

Madhusudhan Reddy: Chemical division margins, are you confident of maintaining these margins going in the future, sir?

AankurPatni: The margin profile of the chemical division has been improving and we hope that we will be able to sustain these levels of margin in the medium term at least.

Madhusudhan Reddy: Another admirable point which you have been referring all through these concall is your consciousness of your maintaining the margins and not going after the orders for the sake of orders. That is one admirable quality in your company which I am proud of this thing. Please keep it up sir. Thank you sir.

Moderator: Thank you. The next question is from the line Dhiman Shah from One-Up Financial. Please go ahead.

Dhiman Shah: Pardon me if this is a repetitive question, because I joined a pretty late. Two or three things between all these subsegments, so between projects, products and the chemicals, is there a way we would be kind of re-ploughing some of the cash flows that we have reasonably strong cash flows, so how would you intent to kind of re-plough and re-grow each of the aspects of the business? That is question number one. Question number two, if we see competition, so Viola and like WABAG and Viola and all of these major international guys, as far as the requirements go in India, do you think we lack on any front in terms of technical capabilities and if so what can be the measures to reduce that, so that our addressable market kind of grows. And lastly I think so, if you can just help clarify, previously it was just asked, but sorry, my line was not clear because I just run in, the Sri Lanka order you said will be lasting for how long?

Management: Let me take the last question first. Sri Lankan order, we expect to be concluded by the first quarter of the next financial year. Other question which you put was with regard to competitive capabilities. The range of technical abilities and solutions that we offer is probably one of the widest in the industry and per se, on those terms, we do not have short comings. While on a broad level, we can say that our focus has been a less towards the municipal market and more towards the industrial market; that is a very conscious decision that we have taken over the last few years. We have started to focus a bit more on the infrastructure and the municipal side of business, but we tend to be very choosy and very selective about which one we will pursue and at what terms. That I think is going to continue as a broad strategy, but as I have been saying over the past few calls, we do hope that we will be able to announce some significant breakthrough on those fronts also.

Dhiman Shah: And the first question on the allocation of the capital between all the subsegments?

Management: The engineering segment demands a lot of working capital to continue to process larger and larger sized business opportunities whereas the chemical segment looks at more of the CAPEX investments and we consciously try to focus on keeping our capacities in line with the market opportunities that we have a visibility for. Whereas the consumer segment, what we have tried to do is to plough back the money what the segments make towards that segment and we have not really gone after very high voltage advertisement expenditures in the past. This broad strategy, is likely to continue at least in the short term.

Dhiman Shah: And if you allow me one more, is there something already on the anvil which can possibly replace, if not one at least two orders that can replace once you have kind of consummated the Sri Lankan order?

Management: The short answer to that is yes, something is on the anvil, we will make appropriate announcement when it is finalised.

Moderator: Thank you. Ladies and gentlemen, due to time constraint that was the last question. I now hand the conference over to Mr. N. M. Ranadive from Ion Exchange India Limited for closing comments.

N. M. Ranadive: Thank you all for participating in this earnings concall. I hope we have been able to answer your questions satisfactorily. If you have any further questions or would like to know more about the company, please reach out to our Investor Relations Managers at Valorem Advisors. Wish you all a great evening and happy Diwali in advance. Thank you.

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