



# **XPRO GLOBAL LIMITED**

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**ANNUAL REPORT 2014/15**

## **XPRO GLOBAL LIMITED : ANNUAL REPORT 2014/15**

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### **NOTICE**

#### **TO THE SHAREHOLDERS**

Notice is hereby given that the Fourteenth Annual General Meeting of the Members of Xpro Global Limited will be held at the Registered Office of the Company at "Birla Building", 2<sup>nd</sup> floor, 9/1, R. N. Mukherjee Road, Kolkata 700001 on Friday, July 10, 2015 at 10.30 a.m. to transact the following business:

1. To consider and adopt the Directors' Report and audited Financial Statements of the Company for the financial year ended March 31, 2015, and the Auditor's Report thereon.
2. To appoint a Director in place of Sri Sidharth Birla (DIN: 00004213) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company and to fix their remuneration. In this connection, to consider and if thought fit, to pass the following resolution:

"RESOLVED that M/s. S. V. Kedia & Co., Chartered Accountants (FRN: 324122E), Kolkata be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this meeting, until the conclusion of the Nineteenth Annual General Meeting of the Company (i.e. for a term of five years) at a remuneration to be decided by the Board of Directors in consultation with M/s. S. V. Kedia & Co."

#### **SPECIAL BUSINESS:**

##### **4. AS A SPECIAL RESOLUTION**

"RESOLVED that pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactments thereof, for the time being in force, consent of the members be and is hereby accorded to the Board of Directors of the Company to enter into contracts or arrangements for sale and purchase of yarn, cloth, fabrics, readymade garments and accessories of different types and varieties with the related party, M/s Digjam Limited, during the financial year 2015-16 or thereafter, up to Rs.5 (Five) Crores per financial year on such terms and conditions as the Board may think proper and beneficial for the Company.

RESOLVED FURTHER that Directors of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters and things as may be considered necessary to give effect to the resolution."

New Delhi  
May 29, 2015

By Order of the Board

Registered Office :  
"Birla Building", 2<sup>nd</sup> Floor  
9/1, R N Mukherjee Road,  
Kolkata 700 001  
CIN : U36900WB2001PLC093098

C. BHASKAR  
Director  
e-mail: xprocal@xproindia.com  
Tel.:+91-33-3057 3700/3041 0900

#### **NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Proxy Form duly completed must reach the Registered Office of the Company not later than forty-eight hours before the time of holding the meeting.

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### 3. EXPLANATORY STATEMENT (Pursuant to Section 102(1) of the Companies Act, 2013)

#### **Item No. 4**

As part of the newly commenced textiles related trading activity, your Company proposes to enter into arrangements for sale and purchase yarn, cloth, fabrics, readymade garments and accessories of different types and varieties, with Digjam Limited in which common management may be deemed to exist. Considering the provisions of Section 188 of the Companies Act, 2013 and the rules made thereunder, your Board of Directors are of the view after considering all relevant factors that it would be in the best interests of the Company to seek shareholders' approval at the ensuing annual general meeting in respect of the proposed transactions with Digjam Limited. In keeping with the requirements of the rules framed under the Companies Act, 2013, brief particulars of the above transaction(s) are provided herein below:

Name of Related Party	Nature of Transaction	Material terms, monetary value and particulars of the contract or arrangement
Digjam Limited	Sale and purchase of yarn, cloth, fabrics, readymade garments and accessories of different types and varieties	<b>Material Value:</b> Transaction value not exceeding Rs.5 (Five) Crores per financial year <b>Tenure:</b> No commitment on tenure or quantity is proposed; However, the arrangement may be continued as long as it suits the business of Company <b>Advance</b> No Advance payment is proposed <b>Credit period:</b> As may be decided mutually from time to time <b>Security Deposit:</b> Nil

Your Company is wholly owned subsidiary of Xpro India Limited. Sri Sidharth Birla, Sri S. Ragothaman and Sri C. Bhaskar, Directors of Xpro India Limited are also on the Board of the Company who may be deemed to be interested in the proposed resolution alongwith their relatives, being common Directors in Digjam Limited also.

None of the other Director(s) or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board of Directors recommend the resolution under Item no. 4 of the Notice as a Special Resolution for your approval.

New Delhi  
May 29, 2015

By Order of the Board

**Registered Office :**  
"Birla Building", 2<sup>nd</sup> Floor  
9/1, R N Mukherjee Road,  
Kolkata 700 001  
CIN : U36900WB2001PLC093098

C. BHASKAR  
Director  
e-mail: xprocal@xproindia.com  
Tel.:+91-33-3057 3700/3041 0900

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### **BOARD OF DIRECTORS**

Sri Sidharth Birla  
Sri C. Bhaskar  
Sri S. Ragothaman  
Sri U. C. Jain

### **REGISTERED OFFICE**

Birla Building, 2<sup>nd</sup> Floor,  
9/1, R.N. Mukherjee Road,  
Kolkata 700 001  
CIN:U36900WB2001PLC093098

### **REPORT OF THE DIRECTORS TO THE MEMBERS**

We have pleasure in presenting herewith our Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2015.

#### **Review of Operational Matters**

During the year, the Company, based on an evaluation of markets and considering shifting customer preferences towards synthetic fashion wear, decided to undertake the business of trading in synthetic as well as wool-blended woven fabrics. Significant market opportunities were seen and after identifying and finalising appropriate elements of the supply chain, trading commenced in the last quarter of the year. The products were well received and sales of nearly 23,000 mtrs. of synthetic woven fabrics was quickly achieved. A thrust in this segment is being undertaken considering the gradual revival of textile markets in the country and the fundamental nature of the product. As stated in our earlier reports, the Company had, in pursuance of its long term strategy, decided to discontinue marketing and distribution of high-end audio-video products. Accordingly routine business activity in this area was directed towards liquidation of remnant stocks of Arcam systems and accessories.

Consequent to commencing trade in synthetic woven fabrics, Sales were higher at Rs.47.21 lacs against Rs.4.25 lacs during the previous year. Total income during the year was Rs.52.22 lacs. Working for the year yielded a profit before tax of Rs.2.47 lacs out of which a provision for tax of Rs.0.77 lacs has been made, and the balance amount, including amounts brought forward, of Rs.10.34 lacs is carried to the balance sheet.

#### **Statutory and Other Matters**

Sri Sidharth Birla (DIN: 00004213), Director of the Company, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment.

Having taken reasonable and bonafide care, pursuant to Section 134 (3)(c) of the Companies Act, 2013, the Directors indicate that (i) in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanations relating to material departures; (ii) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are 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 the year; (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities; (iv) the Directors had prepared the annual accounts on a 'Going Concern' basis; and (v) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

During the year, Board Meetings were held on May 8, 2014, July 30, 2014, November 6, 2014 and January 30, 2015 and an Extraordinary General Meeting was convened and held on December 30, 2014.

M/s. S.V. Kedia & Co., Chartered Accountants, retire as Auditors and, being eligible offer themselves for reappointment pursuant to the provisions of the Companies Act, 2013. Auditors' observations are self-explanatory and do not call for any further clarifications.

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith.

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company. The provisions of Section 197 (particulars of employees) of the Companies Act, 2013 and of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable to the Company as there were no relevant employees during the year.

The Company has not during the year (i) given any loans or guarantees or made any investments; or (ii) entered into any related party transactions.

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Particulars of Conservation of Energy and Technology absorption and Foreign Exchange Earnings and Outgo prescribed under Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable to the Company. There was no Foreign Exchange outgo during the year (previous year: Nil).

Other provisions of Section 134(3) of the Companies Act, 2013 and relevant Rules are not applicable to the Company.

For and on behalf of the Board

New Delhi  
May 29, 2015

**SIDHARTH BIRLA**  
**C. BHASKAR**  
**S RAGOTHAMAN**  
*Directors*

### **ANNEXURE TO THE DIRECTORS' REPORT**

#### **FORM NO. MGT – 9: EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on March 31, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### **I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	U36900WB2001PLC093098
ii)	Registration Date	April 10, 2001
iii)	Name of the Company	XPRO GLOBAL LIMITED
iv)	Category / Sub-Category of the Company	Company having Share Capital
v)	Address of the Registered Office and contact details	"Birla Building", 2 <sup>nd</sup> Floor, 9/1, R N Mukherjee Road, Kolkata – 700 001, West Bengal e-mail: xprocal@xproindia.com Tel.: +91-33-3057 3700/3041 0900
vi)	Whether listed Yes/No	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

#### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Wholesale of textiles (Woven fabrics)	513 5131 51311	90.03

#### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Xpro India Limited Barjora-Mejia Road, P.O. Ghutgoria, Tehsil: Barjora, Dist.: Bankura 722 202 West Bengal	L25209WB1997PLC085972	Holding Company	100%	2(46)

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**IV. SHAREHOLDING PATTERN:** (Equity Share Capital Breakup as percentage of Total Equity)

**i) Category-wise Shareholding:**

Category of Shareholders	Number of Shares held at the beginning of the year				Number of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF									
b) Central Govt.									
c) State Govt.(s)									
d) Bodies Corporate	-	1000000	1000000	100	-	1000000	1000000	100	Nil
e) Bank(s)/FI									
f) Any other									
Sub-total (A)(1):	-	1000000	1000000	100	-	1000000	1000000	100	Nil
(2) Foreign									
a) NRIs-Individuals									
b) Others – Individuals									
c) Bodies Corporate									
d) Bank(s)/FI									
e) Any other									
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoters [A=(A)(1)+(A)(2)]	-	1000000	1000000	100	-	1000000	1000000	100	Nil
<b>B. Public Shareholding</b>									
(1) Institutions									
a) Mutual Funds/UTI									
b) Banks/FI									
c) Central Govt.									
d) State Govt(s)									
e) VC Funds									
f) Insurance Cos.									
g) FIs									
h) Foreign VC Funds									
i) Others									
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian									
ii) Oversea									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1Lac									
ii) Individual shareholders holding nominal share capital in excess of Rs.1Lac									
iii) Others									
Sub-total (B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding [B=(B)(1)+(B)(2)]	-	-	-	-	-	-	-	-	-
<b>C. Held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	1000000	1000000	100	-	1000000	1000000	100	Nil

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### (ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total shares	
1	Xpro India Limited	1000000	100%	NIL	1000000	100%	NIL	NIL

### (iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year	No change during the year			
	Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus /sweat equity etc):	No change during the year			
	At the end of the year	No change during the year			

### (iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year	-	-	-	-
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

### (v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year	-	-	-	-
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus /sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
- Addition	-	-	-	-
- Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

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**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (Rs.)
		----	-----	
1.	Gross Salary	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Options	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
		Sri Sidharth Birla	Sri S. Ragothaman	Sri C. Bhaskar	Sri U. C. Jain	
1.	Independent Directors	-	-	-	-	-
	- Fee for attending Board/ Committee Meetings	-	-	-	-	-
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total B (1)	-	-	-	-	-
2.	Other Non-Executive Directors					
	- Fee for attending Board/ Committee Meetings	2000	1500	2000	1500	7000
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total B (2)	2000	1500	2000	1500	7000
	Total (B) = (1+2)	2000	1500	2000	1500	7000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rs.)
		CEO	Company Secretary	CFO	
1.	Gross Salary	-	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Options	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others	-	-	-	-
5.	Others...	-	-	-	-
	Total (C)	-	-	-	-



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### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

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### INDEPENDENT AUDITORS' REPORT

#### TO THE MEMBERS

##### **Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **XPRO GLOBAL LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

##### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

##### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used

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and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 of the Order.
2. As required by Section 143(3) of the Act, we report 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 appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For S.V. Kedia & Co.**  
Chartered Accountants  
*Firm Registration No.324122E*

Kolkata  
May 29, 2015

**Vineet Kedia**  
*Proprietor*  
*Membership No.059660*

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### **ANNEXURE TO THE AUDITORS' REPORT**

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

- i) The company does not have any fixed assets as yet and hence clauses i(a) and i(b) of paragraph 3 of the Order are not applicable.
- ii) In respect of its inventory:
  - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals;
  - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business;
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013;
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system;
- v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. Accordingly, provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable;
- vi) According to the information and explanations given to us, the Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and hence the clause is not applicable to the Company;
- vii) According to the information and explanations given to us in respect of statutory dues:
  - a) The Company has generally been regular in depositing undisputed dues, including Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities;
  - b) There were no undisputed amounts payable in respect of Income-tax, sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable;
  - c) There were no amounts required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder;
- viii) The Company has no accumulated losses and has not incurred cash losses during the current financial year covered by our audit and also in the immediately preceding financial year;
- ix) According to the information and explanations given to us, the company has no dues to a financial institution or bank or debenture holders;
- x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions;
- xi) According to the information and explanations given to us, the Company has not taken any term loans;
- xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

**For S.V. Kedia & Co.**  
Chartered Accountants  
Firm Registration No.324122E

Kolkata  
May 29, 2015

**Vineet Kedia**  
Proprietor  
Membership No.059660

**XPRO GLOBAL LIMITED : ANNUAL REPORT 2014/15**

<b><u>BALANCE SHEET AS AT</u></b>		<b><u>March 31, 2015</u></b>	<b><u>March 31, 2014</u></b>
	<b><u>Notes</u></b>	<b><u>Rs.</u></b>	<b><u>Rs.</u></b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share capital	3	<b>52,50,000</b>	52,50,000
Reserves and surplus	4	<b><u>10,34,011</u></b>	<u>8,62,999</u>
		<b>62,84,011</b>	61,12,999
<b>Non-current Liabilities</b>			
		-	-
<b>Current Liabilities</b>			
Trade payables (including acceptances)	5	<b>29,51,944</b>	-
Other current liabilities	6	<b>28,62,624</b>	7,44,943
Short-term provisions	7	<b><u>76,500</u></b>	<u>96,000</u>
		<b>58,91,068</b>	8,40,943
		<b><u>121,75,079</u></b>	<u>69,53,942</u>
<b><u>ASSETS</u></b>			
<b>Non-current Assets</b>			
		-	-
<b>Current Assets</b>			
Inventories	8	<b>21,800</b>	44,343
Trade receivables	9	<b>49,70,410</b>	-
Cash and cash equivalents	10	<b>71,05,662</b>	62,52,397
Short-term loans and advances	11	<b>77,207</b>	1,53,212
Other current assets	12	-	5,03,990
		<b><u>121,75,079</u></b>	<u>69,53,942</u>

Accompanying notes form integral part of the financial statements

**In terms of our report attached**

For **S. V. Kedia & Co.**

Chartered Accountants

Firm Registration No.324122E

**Vineet Kedia**

Proprietor

Membership No.059660

Kolkata

May 29, 2015

**For and on behalf of the Board**

**Sidharth Birla**

**C. Bhaskar**

**S. Ragothaman**

*Directors*

## XPRO GLOBAL LIMITED : ANNUAL REPORT 2014/15

<b>STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED</b>	<u>Notes</u>	<b>March 31, 2015</b>	<b>March 31, 2014</b>
		<b>Rs.</b>	<b>Rs.</b>
<b>INCOME</b>			
Revenue from Operations	13	<b>47,21,082</b>	4,24,851
less: excise duty		-	-
Revenue from Operations (Net)		<b>47,21,082</b>	4,24,851
Other income	14	<b>5,00,983</b>	5,74,811
		<b>52,22,065</b>	9,99,662
<b>Expenses</b>			
Purchase of stock-in-trade	15	<b>29,51,944</b>	-
Changes in inventories (of finished goods, work-in-progress & stock-in-trade)	16	<b>22,543</b>	1,81,571
Finance Costs		<b>32,320</b>	-
Other expenses	17	<b>19,67,949</b>	7,34,881
		<b>49,74,756</b>	9,16,452
<b>Profit before tax</b>		<b>2,47,309</b>	83,210
Tax expense			
Current Tax		<b>76,500</b>	27,000
Excess tax provisions for earlier years written back (net)		<b>(203)</b>	(2,722)
		<b>76,297</b>	24,278
<b>Profit for the year</b>		<b>1,71,012</b>	58,932
<b>Earnings per equity share</b> (Face Value of Rs.10/- each)			
- Basic & Diluted (Rs.)		<b>0.33</b>	0.11
Number of shares used in computing earnings per share			
- Nominal value: Rs.10 each		<b>5,25,000</b>	5,25,000

Accompanying notes form integral part of the financial statements

**In terms of our report attached**

For **S. V. Kedia & Co.**

Chartered Accountants

Firm Registration No.324122E

**Vineet Kedia**

Proprietor

Membership No.059660

Kolkata

May 29, 2015

**For and on behalf of the Board**

**Sidharth Birla**

**C. Bhaskar**

**S. Ragothaman**

Directors

**XPRO GLOBAL LIMITED : ANNUAL REPORT 2014/15**

<b><u>CASH FLOW STATEMENT FOR THE YEAR ENDED</u></b>	<b><u>March 31, 2015</u></b>	<b><u>March 31, 2014</u></b>
	<b>Rs.</b>	<b>Rs.</b>
<b>A. Cash flow from Operating Activities</b>		
Net Profit/(Loss) before tax	2,47,309	83,210
Adjusted for:		
Finance costs	32,320	-
Interest income	<u>(4,94,970)</u>	<u>(5,74,517)</u>
<b>Operating Profit/(Loss) before Working Capital changes</b>	<b>(2,15,341)</b>	<b>(4,91,307)</b>
Adjusted for:		
Increase in Trade and other Receivables	<b>(48,94,405)</b>	(23,916)
Decrease in Inventories	<b>22,543</b>	1,81,571
Increase in Trade payables and other liabilities	<b>50,50,125</b>	48,171
Direct Taxes	<u><b>(76,297)</b></u>	<u><b>(24,278)</b></u>
<b>Net Cash Flow from Operating activities</b>	<b>(1,13,375)</b>	<b>(3,09,759)</b>
<b>B. Cash flow from Investing Activities</b>		
Interest Received	<u><b>9,98,960</b></u>	<u>5,74,517</u>
<b>Net Cash Flow from Investing Activities</b>	<b>9,98,960</b>	<b>5,74,517</b>
<b>C. Cash flow from Financing Activities</b>		
Finance costs	<u><b>(32,320)</b></u>	-
<b>Net Cash Flow from Financing Activities</b>	<b>(32,320)</b>	-
<b>Net increase/(decrease) in Cash or Cash equivalents</b>	<b>8,53,265</b>	2,64,758
Cash and Cash Equivalents at the beginning of the year	<b>62,52,397</b>	59,87,639
Cash and Cash Equivalents at the end of the year	<b>71,05,662</b>	62,52,397

Notes:

Cash and Cash Equivalents represent Cash and Bank balance (note 10)

**In terms of our report attached**

For **S. V. Kedia & Co.**

Chartered Accountants

Firm Registration No.324122E

**Vineet Kedia**

Proprietor

Membership No.059660

Kolkata

May 29, 2015

**For and on behalf of the Board**

**Sidharth Birla**

**C. Bhaskar**

**S. Ragothaman**

Directors

## XPRO GLOBAL LIMITED : ANNUAL REPORT 2014/15

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### Notes to the Financial Statements

#### 1. Company Overview:

Xpro Global Limited ("the Company") is a public company incorporated on April 10, 2001 under the Companies Act, 1956. The Company is a wholly owned subsidiary of Xpro India Limited, a listed public company incorporated in India. At present, the principal activity of the Company is general trade which includes trading in yarn and woven fabrics, besides import, distribution and marketing of high-end consumer products.

#### 2. Significant Accounting Policies

##### 2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared under historical cost convention in accordance with the generally accepted accounting principles, applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The company follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis. Wherever it is not possible to determine the quantum of accrual with reasonable certainty, e.g. Insurance & other claims, refund of Customs Duty and export incentives, these continue to be accounted for on settlement basis.

##### 2.2 Inventories

Inventories are valued "at lower of cost and net realizable value". Cost is determined on the weighted average method and include other costs incurred in bringing the inventories to their present location and condition.

##### 2.3 Revenue Recognition

- i. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- ii. Sale of goods: Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the customer (on despatch to the customer). Sales are reported net of sales tax.
- iii. Income from Services: Revenue (including sales commission) is recognized on accrual basis.
- iv. Interest: Time pro-rated revenue is recognized taking into account the amount outstanding and rate applicable.

##### 2.4 Borrowing Cost

Borrowing cost relating to (i) funds borrowed for acquisition of qualifying fixed assets are capitalized till the date of commissioning and thereafter charged to Profit and Loss Account and (ii) funds borrowed for other purposes are charged to Profit and Loss Account.

##### 2.5 Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate prevailing at time of transaction. Monetary items denominated in foreign currencies and outstanding at the year end are translated at year end rates. Exchange differences arising on settlement of monetary items at rates different from those at which they were initially recorded are recognized as income or as expenses in the year in which they arise.

##### 2.6 Taxation

Tax liability is estimated considering the provisions of the Income Tax Act, 1961. Deferred Tax is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

##### 2.7 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities, if any, are not recognized in the accounts but are disclosed by way of notes. Contingent assets are neither recognized nor disclosed in the financial statements.

#### 3. Share Capital

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
	Rs.	Rs.
<b><u>Authorized</u></b>		
10,00,000 Equity Shares of Rs.10 each (March 31, 2014: 10,00,000)	<b>1,00,00,000</b>	1,00,00,000
<b><u>Issued, subscribed &amp; paid share capital</u></b>		
50,000 Equity Shares of Rs.10 each fully paid (March 31, 2014: 50,000)	<b>5,00,000</b>	5,00,000
9,50,000 Equity Shares of Rs.10 each partly paid-up of Rs.5 each (March 31, 2014: 9,50,000)	<b>47,50,000</b>	47,50,000
	<b>52,50,000</b>	52,50,000

## XPRO GLOBAL LIMITED : ANNUAL REPORT 2014/15

- 3.1 The Company has issued only one class of shares referred to as equity shares having a par value of Rs.10 each. All equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. All shares rank equally with regard to the Company's residual assets.
- 3.2 The entire paid-up share capital of the Company is held by the holding company, Xpro India Limited and its nominees.
- 3.3 Reconciliation of the number of shares outstanding:  
There has been no movement in the number of shares outstanding or in the share capital during the year or during the previous year.

#### 4. Reserves and Surplus

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
	Rs.	Rs.
<b>Surplus</b>		
Opening Balance	8,62,999	8,04,067
add: Net profit after tax transferred from Statement of Profit and Loss	<u>1,71,012</u>	<u>58,932</u>
Amount available for appropriation	10,34,011	8,62,999
Appropriations	-	-
Closing Balance	<u>10,34,011</u>	<u>8,62,999</u>

#### 5. Trade payables

Acceptances	<u>29,51,944</u>	-
	<u>29,51,944</u>	-

#### 6. Other Current Liabilities

Other payables	<u>28,62,624</u>	<u>7,44,943</u>
	<u>28,62,624</u>	<u>7,44,943</u>

#### 7. Short-term Provisions

Provision for employee benefits	-	-
<b>Others</b>		
Provision for Tax	<u>76,500</u>	<u>96,000</u>
	<u>76,500</u>	<u>96,000</u>

#### 8. Inventories

Stock-in-trade (in respect of goods acquired for trading)	<u>21,800</u>	<u>44,343</u>
	<u>21,800</u>	<u>44,343</u>

#### 9. Trade receivables

<b>Unsecured, considered good</b>		
Outstanding for a period exceeding six months from due date	-	-
less: Provision for Bad Debts	-	-
Others	<u>49,70,410</u>	-
	<u>49,70,410</u>	-

#### 10. Cash and cash equivalents

Balance with banks		
Current Accounts	2,59,837	50,817
Term Deposit Accounts (with maturity period less than 12 months)	<u>68,30,230</u>	<u>62,00,000</u>
Cash on hand	15,595	1,580
	<u>71,05,662</u>	<u>62,52,397</u>

#### 11. Short Term Loans and Advances

<b>Unsecured, considered good</b>		
Advances recoverable in cash or in kind or for value to be received		
Refunds, Recoveries & Claims	<u>77,207</u>	<u>1,53,212</u>
	<u>77,207</u>	<u>1,53,212</u>



## XPRO GLOBAL LIMITED : ANNUAL REPORT 2014/15

	<b>March 31, 2015</b>	<b>March 31, 2014</b>
	Rs.	Rs.
<b>12. <u>Other Current Assets</u></b>		
Interest accrued but not due	-	5,03,990
	-	5,03,990
	<b><u>2014 - 15</u></b>	<b><u>2013 - 14</u></b>
	Rs.	Rs.
<b>13. <u>Revenue from Operations</u></b>		
Gross Revenue from Operations (Sale of products)	<b>47,21,082</b>	4,24,851
less: Excise Duty	-	-
Net Revenue from Operations	<b>47,21,082</b>	4,24,851
<b><u>Additional Details of Products Sold</u></b>		
Goods traded in		
Audio Systems & Accessories	<b>19,876</b>	4,24,851
Woven fabrics	<b>47,01,206</b>	-
Others	-	-
	<b>47,21,082</b>	4,24,851
<b>14. <u>Other Income</u></b>		
Interest income		
From Banks	<b>4,94,970</b>	5,74,517
Others	<b>6,013</b>	294
	<b>5,00,983</b>	5,74,811
TDS: Rs.52,402 (previous year: Rs.57,452)		
<b>15. <u>Purchase of Stock-in-trade</u></b>		
Woven Fabrics	<b>29,51,944</b>	-
Others	-	-
	<b>29,51,944</b>	-
<b>16. <u>Changes in Inventories</u></b>		
<b>Inventories at the end of the year</b>		
Stock-in-trade	<b>21,800</b>	44,343
<b>Inventories at the beginning of the year</b>		
Stock-in-trade	<b>44,343</b>	2,25,914
Change in inventory	<b>(22,543)</b>	(1,81,571)
<b>17. <u>Other Expenses</u></b>		
Advertising & Sponsorship	<b>6,00,000</b>	12,000
Director's Fees	<b>7,000</b>	6,000
Freight, Forwarding & Shipment Charges	<b>62,423</b>	6,175
Miscellaneous	<b>36,365</b>	3,611
Office expenses	-	8,162
Payment to Auditors ( <i>towards audit fees</i> )	<b>2,000</b>	2,000
Professional & Legal	<b>8,900</b>	63,117
Rebates & Discounts	<b>10,21,176</b>	1,38,660
Sales incentives	<b>1,79,071</b>	1,00,000
Subscription and fees	-	1,85,735
Travel & Conveyance	<b>51,014</b>	2,09,421
	<b>19,67,949</b>	7,34,881

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## XPRO GLOBAL LIMITED : ANNUAL REPORT 2014/15

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**18. Related Party Disclosures**

*(in terms of AS 18)*

A. List of Related Parties

- i) Parties where control exists:
  - a) Holding Company: Xpro India Limited
  - b) Companies where common control exists: Digjam Limited
- ii) Fellow subsidiaries of Holding Company: Xpro Global Pte. Ltd., Singapore

B. Transactions with Related Parties:

No transactions with related parties referred to in A(i) and (ii) above during the year or the previous year.

C. Related party relationships have been identified by the management and relied upon by the auditors.

**19.** Previous year's figures have been regrouped/rearranged wherever considered necessary.

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**In terms of our report attached**

**For S. V. Kedia & Co.**

Chartered Accountants

*Firm Registration No.324122E*

**Vineet Kedia**

*Proprietor*

*Membership No.059660*

Kolkata

**May 29, 2015**

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**For and on behalf of the Board**

**Sidharth Birla**

**C. Bhaskar**

**S. Ragothaman**

*Directors*