XPRO INDIA LIMITED

xproindia

Birla Building (2nd Floor),
9/1, R. N. Mukherjee Road,
Kolkata - 700 001, India
Tel: +91-33-40823700/22200600
e-mail: xprocal@xproindia.com

February 26, 2024

To,

BSE Limited
Corporate Relations Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001
Maharashtra, India

Scrip Code: 590013

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Maharashtra, India

Symbol: XPROINDIA

Dear Madam / Sir

Sub: Intimation of the approval of the Unaudited Condensed Interim Consolidated Financial Statements as at and for the nine months period ended December 31, 2023 and December 31, 2022, under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, we wish to inform you that the Board of Directors of the Company has passed a resolution dated February 26, 2024, and have approved the Unaudited Condensed Interim Consolidated Financial Statements as at and for the nine months period ended December 31, 2023 and December 31, 2022, prepared in accordance with the Indian Accounting Standards 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other relevant provisions of the Companies Act, 2013 along with report on review of Interim Financial Statements issued by the Statutory Auditors of the Company, Walker Chandiok & Co. LLP, Chartered Accountants. Copy of the same is attached herewith. Further, these Interim Financial Statements will be uploaded on the Company's website at www.xproindia.com.

We request you to take the above on record, and the same be treated as compliance under Regulation 30 and other applicable regulations of the SEBI LODR Regulations.

The meeting of the Board of Directors commenced at 10.30 am and concluded at 12.00 pm.

Thanking you,

Yours faithfully,
For **Xpro India Limited**

KAMAL KISHOR SEWODA
Digitally signed by KAMAL KISHOR SEWODA

Kamal Kishor Sewoda
Company Secretary

Walker Chandiok & Co LLP
L 41, Connaught Circus,
Outer Circle,
New Delhi - 110 001
India
T +91 11 4500 2219
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Independent Auditor's Review Report on Unaudited Condensed Interim Consolidated Financial Statements of Xpro India Limited for the nine month period ended 31 December 2023

To the Board of Directors of Xpro India Limited

Introduction

1. We have reviewed the accompanying unaudited condensed interim consolidated financial statements of Xpro India Limited ('the Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiary included in the unaudited condensed interim consolidated financial statements), which comprise the Unaudited Condensed Interim Consolidated Balance Sheet as at 31 December 2023, the Unaudited Condensed Interim Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Unaudited Condensed Interim Consolidated Cash Flow Statement and the Unaudited Condensed Interim Consolidated Statement of Changes in Equity for the nine month period then ended, and a summary of the material accounting policies and other explanatory information (together hereinafter referred to as the "Unaudited Condensed Interim Consolidated Financial Statements"). The management is responsible for the preparation and presentation of these Unaudited Condensed Interim Consolidated Financial Statements in accordance with the requirements of Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34') prescribed under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India. These Unaudited Condensed Interim Consolidated Financial Statements have been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on these Unaudited Condensed Interim Consolidated Financial Statements based on our review.

Scope of Review

2. We conducted our review of the Unaudited Condensed Interim Consolidated Financial Statements in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independent Auditor's Review Report on Unaudited Condensed Interim Consolidated Financial Statements of Xpro India Limited for the nine month period ended 31 December 2023 (Cont'd)

Conclusion

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Unaudited Condensed Interim Consolidated Financial Statements are not prepared, in all material aspects, in accordance with the requirements of Ind AS 34, prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India.

Other Matter

4. The Unaudited Condensed Interim Consolidated Financial Statements includes the interim financial information of one subsidiary, which have not been reviewed by their auditors, whose interim financial information reflect total assets of ₹ 1.96 lacs as at 31 December 2023, and total revenues of ₹ NIL lacs, net loss after tax of ₹ 0.51 lacs, total comprehensive income of 0.51 lacs for the nine month period ended 31 December 2023, cash flows (net) of ₹ (0.92) lacs for the nine month period ended 31 December 2023, as considered in the Unaudited Condensed Interim Consolidated Financial Statements, and have been furnished to us by the Holding Company's management. Our conclusion on the Unaudited Condensed Interim Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary are based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, this interim financial information is not material to the Group.

   Our conclusion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors of the Holding Company.

5. The Holding Company had prepared separate set of consolidated financial information for the quarter and nine month period ended 31 December 2023 in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), on which we had issued review report dated 29 January 2024 to the Board of Directors of the Holding Company, wherein we had expressed an unmodified conclusion.
   Our conclusion is not modified in respect of this matter.

WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on Unaudited Condensed Interim Consolidated Financial Statements of Xpro India Limited for the nine month period ended 31 December 2023 (Cont'd)

Restriction on distribution or use

6. The Unaudited Condensed Interim Consolidated Financial Statements has been prepared by the Holding Company's Management to be included in the Holding Company's Preliminary Placement Document/Placement Document for the purpose of proposed offering of equity shares by the Holding Company through Qualified Institutional Placement as approved by the Board of Directors on 19 December 2023 and therefore, it may not be suitable for other purpose. This review report is issued solely for the aforementioned purpose, and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this review report is shown or into whose hands it may come without our prior consent in writing.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Ashish Gera

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

Ashish Gera
Partner
Membership No.: 508685

UDIN: 24508685BKEUCZ4468

Place: New Delhi
Date: 26 February 2024

Independent Auditor's Review Report on Unaudited Condensed Interim Consolidated Financial Statements of Xpro India Limited for the nine month period ended 31 December 2023 (Cont'd)

Annexure 1

List of entities included in the Unaudited Condensed Interim Consolidated Financial Statements

Name of Holding Company

a. Xpro India Limited

Name of Subsidiary Company

b. Xpro Global Limited

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

Xpro India Limited

Unaudited Condensed Interim Consolidated Balance Sheet as at 31 December 2023

(All amounts in INR lacs, unless otherwise stated)

	Note No.	As at December 31, 2023	As at March 31, 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	14,492.90	15,081.26
(b) Right-of-use assets	43	871.16	910.09
(c) Capital work-in-progress	5	1,443.42	261.20
(d) Other intangible assets	6	-	-
(e) Financial assets			
(i) Investments	7	473.85	464.83
(ii) Loans	8	17.86	22.13
(iii) Other financial assets	9	320.71	341.43
(f) Non-current tax assets (net)	10	203.05	171.80
(g) Other non-current assets	11	4,363.25	3,557.43
Total non-current assets		**22,186.20**	**20,810.17**
Current assets			
(a) Inventories	12	5,006.52	4,732.13
(b) Financial assets			
(i) Trade receivables	13	4,080.02	5,098.39
(ii) Cash and cash equivalents	14	13.85	15.16
(iii) Bank balances other than (ii) above	15	12,858.65	3,001.11
(iv) Loans	16	10.40	12.44
(v) Other financial assets	17	14.26	12.09
(c) Other current assets	18	339.69	333.20
Total current assets		**22,323.39**	**13,204.52**
TOTAL ASSETS		**44,509.59**	**34,014.69**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	2,067.22	1,821.22
(b) Other equity	20	33,397.77	21,534.49
Total equity		**35,464.99**	**23,355.71**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	504.36	956.37
(ii) Lease liabilities	43	196.35	226.95
(iii) Other financial liabilities	22	-	6.57
(b) Provisions	23	115.80	18.98
(c) Deferred tax liabilities (net)	24	1,527.30	945.33
Total non-current liabilities		**2,343.81**	**2,154.20**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	1,833.65	2,648.43
(ii) Lease liabilities	43	40.09	36.44
(iii) Trade payables	26		
- total outstanding dues of micro enterprises and small enterprises		174.14	141.04
- total outstanding dues of creditors other than micro enterprises and small enterprises		4,070.27	4,897.50
(iv) Other financial liabilities	27	322.14	251.04
(b) Other current liabilities	28	260.50	530.33
Total current liabilities		**6,700.79**	**8,504.78**
Total liabilities		**9,044.60**	**10,658.98**
TOTAL EQUITY AND LIABILITIES		**44,509.59**	**34,014.69**

The accompanying notes are an integral part of the Unaudited Condensed Interim Consolidated Financial Statements.

In terms of our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm registration number: 001076N/N500013

For and on behalf of the Board of Directors

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Ashish Gera
Partner
Membership No.: 508685

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director and
Chief Executive officer
(DIN: 00003343)

V.K. Agarwal
President (Finance) and
Chief Financial officer

Kamal Kishor Sewoda
Company Secretary

Place: New Delhi
Date: February 26, 2024

Place: New Delhi
Date: February 26, 2024

XPRO INDIA LIMITED

Place: New Delhi
Date: February 26, 2024

Xpro India Limited

Unaudited Condensed Interim Consolidated Statement of Profit and Loss for nine month period starting from April 01, 2023 and ended on December 31, 2023

(All amounts in INR lacs, unless otherwise stated)

	Note No.	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Income			
Revenue from operations	29	33,700.14	38,669.63
Other income	30	703.37	321.18
Total income		**34,403.51**	**38,990.81**
Expenses			
Cost of materials consumed	31	22,810.00	26,592.55
Changes in inventories of finished products and work-in-progress	32	(111.77)	30.44
Employee benefits expense	33	2,472.43	2,245.84
Finance costs	34	422.58	560.90
Depreciation and amortisation expense	35	851.80	877.81
Other expenses	36	3,594.29	4,283.51
Total expenses		**30,039.33**	**34,591.05**
Profit before tax		**4,364.18**	**4,399.76**
Tax expense:	24		
Current tax		639.65	-
Deferred tax expense		580.06	290.21
Tax adjustment for earlier period		-	(0.03)
Total tax expense		**1,219.71**	**290.18**
Profit for the period		**3,144.47**	**4,109.58**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(0.17)	(11.55)
Income tax relating to items that will not be reclassified to profit or loss		0.04	2.91
Items that will be reclassified to profit or loss			
Change in fair value of tax free bonds		7.73	(20.74)
Income tax relating to items that will be reclassified to profit or loss		(1.95)	5.22
Other comprehensive income for the period, net of tax		**5.65**	**(24.16)**
Total comprehensive income for the period (comprising profit after tax and other comprehensive income for the period)		**3,150.12**	**4,085.42**
Profit for the period attributable to			
Owners of the Company		3,144.47	4,109.58
Non-controlling interest		-	-
Other comprehensive income for the period attributable to			
Owners of the Company		5.65	(24.16)
Non-controlling interest		-	-
Total comprehensive income for the period attributable to			
Owners of the Company		3,150.12	4,085.42
Non-controlling interest		-	-
Earnings per equity share for the period (of INR 10/- each)			
Basic	37	15.90	23.19
Diluted		15.90	21.96

The accompanying notes are an integral part of the Unaudited Condensed Interim Consolidated Financial Statements.

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Ashish Gera
Partner
Membership No.: 508685

Place: New Delhi
Date: February 26, 2024

For and on behalf of the Board of Directors

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director and
Chief Executive officer
(DIN: 00003343)

V.K. Agarwal
President(Finance) and
Chief Financial officer

Kamal Kishor Sewoda
Company Secretary

Place: New Delhi
Date: February 26, 2024

Place: New Delhi
Date: February 26, 2024

Xpro India Limited

Unaudited Condensed Interim Consolidated Statement of Cash Flow for the nine month period starting from April 01, 2023 and ended on December 31, 2023

(All amounts in INR lacs, unless otherwise stated)

	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
A Cash flow from operating activities		
Net profit before tax	4,364.18	4,399.76
Adjustments for:		
Depreciation and amortisation (net)	851.80	877.81
Excess liabilities written back	(91.70)	-
Foreign currency translations (net)	(9.32)	(18.82)
Interest income	(485.57)	(120.12)
Finance costs	422.58	560.90
Profit on sale of property, plant and equipment including assets held for sale	(1.23)	(76.51)
Dividend income	(0.05)	(0.08)
Operating profit before working capital changes	**5,050.69**	**5,622.94**
Movement in financial assets	22.60	(23.18)
Movement in trade receivables	1,023.22	2,460.63
Movement in other assets	(125.89)	167.52
Movement in inventory	(274.39)	(390.51)
Movement in financial liabilities	(600.70)	(1,034.14)
Movement in other liabilities	(269.82)	(119.19)
Movement in provisions	96.65	(119.44)
Net cash flow generated from operations (gross)	**4,922.36**	**6,564.63**
Income-tax paid (net)	(670.90)	146.13
Net cash flow generated from operating activities (A)	**4,251.46**	**6,710.76**
B Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including adjustment on account of capital work-in-progress, capital advances and capital creditors)	(2,142.24)	(283.29)
Investment in equity shares	(1.30)	-
Proceeds from sale of property, plant and equipment	9.99	0.58
Dividend received	0.05	0.08
Interest received	483.38	105.18
Investment in fixed deposits	(9,849.29)	(2,485.89)
Net cash flow used in investing activities (B)	**(11,499.41)**	**(2,663.34)**
C Cash flows from financing activities		
Proceeds from convertible warrants	9,372.60	-
Dividend paid	(409.64)	(232.58)
Principal payment of lease liabilities	(26.95)	(19.38)
Interest payment of lease liabilities	(21.23)	(19.80)
Repayment from long-term borrowings	(452.01)	(4,882.29)
Repayment of short-term borrowings (net)	(814.78)	(200.10)
Interest paid/finance cost	(401.35)	(544.36)
Net cash flow generated from/ (used in) financing activities (C)	**7,246.64**	**(5,898.51)**
Net decrease in cash and cash equivalents (A+B+C)	(1.31)	(1,851.09)
Cash and cash equivalents at the beginning of the period	15.16	1,871.19
Cash and cash equivalents at the end of the period	**13.85**	**20.10**
Components of cash and cash equivalents (refer note 14):		
Balances with scheduled banks :		
- In current accounts	11.09	17.47
Cash on hand	2.76	2.63
	13.85	**20.10**

Note:

The Unaudited Condensed Interim Consolidated Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Ind AS 7 "Cash flow Statements".

The accompanying notes are an integral part of the Unaudited Condensed Interim Consolidated financial statements.

In terms of our report of even date attached
For Walker Chandiok & Co LLP
Chartered Accountants
Firm registration number 001076N/N500013

Ashish Gera
Partner
Membership No.: 508685

Place: New Delhi
Date: February 26, 2024

For and on behalf of the Board of Directors

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director and Chief Executive officer
(DIN: 00003343)

V.K. Agarwal
President (Finance) and Chief Financial officer

Kamal Kishor Sewoda
Company Secretary

Place: New Delhi
Date: February 26, 2024

Place: New Delhi
Date: February 26, 2024

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

XPRO INDIA LIMITED

Xpro India Limited

Unaudited Condensed Interim Consolidated Statement of Changes in Equity for the nine month period starting from April 01, 2023 and ended on December 31, 2023

(All amounts in INR lacs, unless otherwise stated)

A) Equity share capital

	As at December 31, 2023		As at March 31, 2023	
	Number	Amount	Number	Amount
Balance at the beginning of the reporting period/ year	18,212,244	1,821.22	11,813,500	1,181.35
Add: Bonus shares issued during the period/ year (refer note 20)	-	-	5,906,744	590.67
Add: Equity share capital issued upon conversion of fully paid warrants (refer note 20)	1,640,000	164.00	328,000	32.80
Add: Bonus shares issued upon conversion of fully paid warrants (refer note 20)	820,000	82.00	164,000	16.40
Balance at the end of the reporting period/ year	**20,672,244**	**2,067.22**	**18,212,244**	**1,821.22**

B) Other equity

	Reserves and surplus						
	Capital subsidy reserve	Securities Premium	General reserve	Retained earnings	Financial assets through OCI	Money received against share warrant	Total
Balance as at April 1, 2022	60.50	406.58	6,750.00	5,068.29	(13.12)	3,749.04	16,021.29
Additions:							
Profit for the period	-	-	-	4,109.58	-	-	4,109.58
Other comprehensive income/(loss) (net of tax)	-	-	-	(8.64)	(15.52)	-	(24.16)
Payment of Dividend	-	-	-	(236.27)	-	-	(236.27)
Issue of Bonus Shares	-	(406.58)	(184.09)	-	-	-	(590.67)
Balance as at December 31, 2022	**60.50**	-	**6,565.91**	**8,932.96**	**(28.64)**	**3,749.04**	**19,279.77**
Additions:							
Profit for the period	-	-	-	426.83	-	-	**426.83**
Other comprehensive income/(loss) (net of tax)	-	-	-	8.47	(5.90)	-	**2.57**
Issue of Bonus Shares	-	-	(16.40)	-	-	-	**(16.40)**
Balance proceeds from warrants	-	-	-	-	-	1,874.52	1,874.52
Issue of shares against warrants	-	2,466.56	-	-	-	(2,499.36)	(32.80)
Balance as at March 31, 2023	**60.50**	**2,466.56**	**6,549.51**	**9,368.26**	**(34.54)**	**3,124.20**	**21,534.49**
Balance as at April 1, 2023	**60.50**	**2,466.56**	**6,549.51**	**9,368.26**	**(34.54)**	**3,124.20**	**21,534.49**
Additions:							
Profit for the period	-	-	-	3,144.47	-	-	3,144.47
Other comprehensive income/(loss) (net of tax)	-	-	-	(0.13)	5.78	-	5.65
Payment of Dividend	-	-	-	(413.44)	-	-	(413.44)
Issue of Bonus Shares		(82.00)	-	-	-	-	(82.00)
Balance proceeds from warrants	-	-	-	-	-	9,372.60	9,372.60
Issue of shares against warrants	-	12,332.80	-	-	-	(12,496.80)	(164.00)
Balance as at December 31, 2023	**60.50**	**14,717.36**	**6,549.51**	**12,099.16**	**(28.76)**	-	**33,397.77**

The accompanying notes are an integral part of the Unaudited Condensed Interim Consolidated Financial Statements.

In terms of our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm registration number: 001076N/N500013

For and on behalf of the Board of Directors

Ashish Gera

Ashish Gera
Partner
Membership No.: 508685

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Place: New Delhi
Date: February 26, 2024

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director and Chief Executive officer
(DIN: 00003343)

V.K. Agarwal
President(Finance) and Chief Financial officer

Kamal Kishor Sewoda
Company Secretary

Place: New Delhi
Date: February 26, 2024

Place: New Delhi
Date: February 26, 2024

XPRO INDIA LIMITED

1. **Group Information:**

Xpro India Limited (the 'Holding Company') is a public limited company domiciled in India with its registered office located at Barjora Mejia Road, P.O. Ghutgoria, Tehsil: Barjora, Dist.: Bankura 722 202, West Bengal. Incorporated on November 26, 1997 as "Biax Films Limited" under the Companies Act, 1956, the present name was adopted w.e.f. September 22, 1998. Equity shares of the Holding Company are listed on the National Stock Exchange (NSE) and are admitted for trading on the Bombay Stock Exchange (BSE). Organised into operating divisions for operational convenience, the Holding Company is engaged mainly in the business of Polymers Processing at multiple locations and is the leading manufacturer in India of Coextruded Plastic Sheets, Thermoformed Liners and Speciality Films (including Dielectric Films and special purpose BOPP Films).

These unaudited condensed interim consolidated financial statements comprise the standalone financial statements of the Holding Company and its subsidiary (collectively referred to as 'the Group') for the nine month period ended December 31, 2023

Name of Subsidiary	% Shareholding	Principal Activity	Country of Incorporation
Xpro Global Limited	100 *	General Trade	India

The Group is engaged mainly in the business of Polymers Processing; the transactions of the subsidiary are insignificant.

(* 100% shareholding in each of the period/year ended December 31, 2023 and March 31, 2023);

2. **Basis for Preparation:**

The Unaudited Condensed Interim Consolidated Financial Statements (hereinafter referred to as 'the consolidated financial statements) of Xpro India Limited ('the Holding Company') and its subsidiary, Xpro Global Limited (the Holding Company and its subsidiary together referred to as 'the Group') consisting of the Unaudited Condensed Interim Consolidated Balance Sheet as at December 31, 2023, the Unaudited Condensed Interim Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Unaudited Condensed Interim Consolidated Cash Flow Statement and the Unaudited Condensed Interim Consolidated Statement of Changes in Equity for the nine month period then ended, and a summary of the material accounting policies and other explanatory information, has been prepared in accordance with the principles of the Indian Accounting Standards ('Ind AS') 34, 'Interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India.

The Unaudited Condensed Interim Consolidated Financial Statements has been prepared by the Holding Company's Management to be included in the Holding Company's Preliminary Placement Document/Placement Document for the purpose of proposed offering of equity shares by the Holding Company as approved by the Board of Directors on 19 December 2023 through Qualified Institutional Placement. Accordingly, such Unaudited Condensed Interim Consolidated Financial Statements may not be suitable for any other purpose.

Principles of Consolidation

a. The Unaudited Condensed Interim Consolidated Financial Statements (hereinafter referred to as 'the consolidated financial statements') relate to Xpro India Limited ('the Company') and its subsidiary company. The consolidated financial statements have been prepared on the following basis:

i) The standalone financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book value of like terms of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and resulting unrealized profits or losses in accordance with Ind AS 110 - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

ii) The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's Standalone Financial Statements.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

XPRO INDIA LIMITED *

b. Statement of compliance with Indian Accounting Standards (Ind AS)

These consolidated financial statements comply in all material aspects with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act, as amended.

c. Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis except for (a) certain financial instruments that are measured at fair values at the end of each reporting period and (b) net defined benefit assets/liability measured at fair value of planned assets less present value of defined benefit obligations. The methods used to measure fair values are discussed further in notes to consolidated financial statements.

d. Functional and presentation currency

The consolidated financial statements of the Group are presented in Indian Rupees (INR), which is also its functional currency. All financial amounts disclosed in the consolidated financial statements and notes have been rounded to the nearest lac (upto two decimals), unless stated otherwise.

e. Current and non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/non-current classification.

An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle;
ii) Held primarily for the purpose of trading;
iii) Expected to be realised within twelve months after the reporting period; or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

i) It is expected to be settled in normal operating cycle;
ii) It is held primarily for the purpose of trading;
iii) It is due to be settled within twelve months after the reporting period;
iv) There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as twelve months for the purpose of classification of assets and liabilities as current and non-current.

f. Fair Value Measurements

The Group measures financial instruments at fair value which is the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction takes place either in the principal market for the asset or liability or in the absence of a principal market in the most advantageous market for the asset or liability.

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All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement 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 directly or indirectly observable for the asset or liability;
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. The Group recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 4(r) - Financial Instruments.

Overall Considerations

The consolidated financial statements have been prepared on going concern basis using the significant accounting policies and measurement basis summarized below.

These accounting policies have been used throughout all periods presented in the consolidated financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

4. **Material accounting policies:**

A summary of the material accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the consolidated financial statements.

a. **Property, plant and equipment**

Property, plant and equipment and capital work-in-progress are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Cost comprises the purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, borrowing costs if capitalisation criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if a) it is probable that future economic benefits associated with the item will flow to the entity; and b) the cost of the item can be measured reliably.

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Consolidated Statement of Profit and Loss for the period during which such expenses are incurred. Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as a part of indirect construction cost to the extent the expenditure is related to construction or is incidental thereto. Other indirect costs

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incurred during-the construction periods which are not related to construction activity nor are incidental thereto are charged to the Consolidated Statement of Profit and Loss.

Value for individual assets acquired for a consolidated price, the consideration is apportioned to the various assets on a fair value basis as determined by competent valuers.

The Group has technically evaluated all the property, plant and equipment for determining the separate identifiable assets having different useful lives under the component approach. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on property, plant and equipment is provided on a straight line method computed on the basis of Companies Act, 2013, on pro-rata basis from the date the asset is ready to put to use.

Leasehold improvements are amortised over the lease period.

Depreciation on property, plant and equipment which are added/disposed off during the year is provided on pro-rata basis with reference to the date of addition/deletion. An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is de-recognised.

Property, plant and equipment is derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in the consolidated statement of profit and loss.

b. Other intangible assets

Intangible assets that are acquired by the Group, having finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

An intangible asset is derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognised in the consolidated statement of profit and loss.

Intangible assets with finite useful life are assessed for impairment whenever there is an indication that the intangible assets may be impaired. Amortisation of intangible assets such as software is computed on a straight-line basis, at rates representing estimated useful life of five years. Technical know-how fees are amortised over the life of the plant from the date of commencement of commercial production using such know-how. Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

c. Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, 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 capitalized, if any. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised as an expense in the year in which they are incurred.

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d. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generate cash inflows that are largely independent of the cash inflows of the other assets or CGUs. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU"). To determine impairment of the Group's corporate assets which do not generate independent cash inflows, recoverable amount is determined for the CGUs to which the corporate assets belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of profit or loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to CGU, and then to reduce the carrying amounts of any other assets of the CGUs or group of CGUs on a pro-rata basis.

e. Assets held for sale

The Group classifies asset as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale, if the Management expects to complete the sale within one year from the date of classification.

Assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell.

f. Inventories

Inventories are valued at lower of the cost and net realisable value after providing for obsolescence and other losses wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition and is determined on weighted average basis. Work-in-progress includes raw material cost, plus conversion cost depending upon stage of completion. The cost of purchase consists of the purchase price including duties and taxes other than those subsequently recoverable by the enterprise from the taxing authorities, freight inwards and other expenditure directly attributable for its acquisition. Stock in Transit is valued at lower of cost and net realisable value. Scrap is valued at estimated net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

g. Provisions, Contingent Liabilities, Contingent assets and Commitments

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. If the effect of the time value of money is material, 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the

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obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are neither recognised nor disclosed in the consolidated financial statements.

h. Government grants

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and ultimate collection of the grant/subsidy is reasonably certain. Grants that compensate the Group for expenses incurred are recognised in consolidated profit or loss as other operating revenues on a systematic basis in the periods in which such expenses are recognised.

i. Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

j. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

k. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date the transaction first qualifies for recognition. Foreign currency monetary items are reported using the closing rate. 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.

Exchange differences arising on the settlement of short-term monetary items or on restatement of the Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous consolidated financial statements, are recognised as income or as expenses in the year in which they arise. Exchange differences pertaining to long-term foreign currency monetary items used for acquisition of depreciable property, plant and equipment are added to the cost of property, plant and equipment and depreciated over the remaining life of the respective property, plant and equipment.

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks in respect of its imports and exports. 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. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognised in consolidated statement of profit and loss.

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l. Revenue recognition

Sale of Goods: Revenue from sale of products are recognised at a point of time when control of products is transferred i.e. on dispatch of goods and are accounted for net of returns, trade discounts, volume rebates and freight outward. Revenue is exclusive of goods and services tax.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). No element of financing is deemed present as the sales are largely made with credit term of not more one year.

The transaction price is allocated by the Group to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

Sale of Services: Revenue from job work services and management consultancy services are recognized based on the services rendered in accordance with the terms of contracts.

Dividend Income: Dividend Income is recognized when the Group's right to receive is established which generally occurs when the shareholders approve the dividend.

Interest Income: Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

m. Employee Benefits

Employee benefits include provident fund, Superannuation Fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined contribution plans: The Group's contribution to Provident Fund, Superannuation Fund and employees state insurance scheme are considered as defined contribution plans and are charged as an expense based on the pre-determined amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans: For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuation being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur.

Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognizes the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss: (i) Service costs comprising current service costs, gains and losses on curtailments and settlements; and (ii) Net interest expense or income.

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The retirement benefit obligation recognized in the consolidated balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Retirement benefit in the form of provident fund is a defined benefit scheme. The Group contributes its portion of contribution to Xpro India Ltd. Employees Provident Fund Trust ('the Trust'). The Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate and accounted by the Group as provident fund cost.

Other employee benefits: Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in the actuarial assumption are recognised in the consolidated statement of profit and loss.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service.

n. Leases

The Group as a lessee: Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments: (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable; (b) variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date; (c) amounts expected to be payable under residual value guarantees, if any; (d) the exercise price of a purchase option if any, if the Group is reasonably certain to exercise that option; (e) payment for penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the consolidated statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Variable lease payments that depends on sales are recognised in the consolidated statement of profit and loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising (a) the amount of the initial measurement of lease liability; (b) any lease payments made at or before the commencement date less any lease incentives received; (c) any initial direct costs; and (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in the consolidated statement of profit and loss. Short term leases are the leases with a lease term of 12 months or less.

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o. Income tax

Income tax expense comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognised in consolidated statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

p. Earnings per share

Basic earnings per share is computed by dividing the consolidated net profit or loss for the year attributable to equity shareholders of the Holding Company by the weighted average number of equity shares outstanding during the financial year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the Holding Company and the weighted average number of equity shares outstanding the year is adjusted for the effects of all dilutive potential equity shares, except where the result would be anti-dilutive.

q. Operating segment

In accordance with Ind AS 108, operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments. The business activities of the Group predominantly fall within a single reportable operating segment, i.e., Polymer Processing. The Board of Directors is the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.

r. Equity investment

Equity investments in subsidiaries are measured at cost. The investments are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, policy for impairment of financial assets is followed.

s. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial assets

Initial recognition and measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset. The transaction costs directly attributable to the acquisition of financial

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assets and financial liabilities at fair value through profit and loss are immediately recognised in the consolidated statement of profit and loss.

Financial assets classification

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Company classifies its financial assets in the following measurement categories: Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those measured at amortised cost. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. 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 in finance income in the consolidated statement of profit and loss. The losses arising from impairment are recognised in the consolidated statement of profit and loss. This category generally applies to trade and other receivables.

Investments carried at fair value through profit and loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases. Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit and loss.

Investments carried at fair value through other comprehensive income (FVTOCI)

An investment in bond is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling the financial asset.

After initial measurement, fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals in the consolidated statement of profit and loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset.

On derecognition of financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in consolidated statement of profit and loss on disposal of that financial asset.

On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the consolidated statement of profit and loss.

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Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

(b) Financial assets that are measured at FVTOCI e.g. investment in bonds.

(c) Trade receivables under Ind AS 115.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves and there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, borrowings and derivative financial instruments.

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or fair value through profit and loss.

Financial liabilities at amortised cost

After initial measurement, such 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 derecognised 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 in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

3. Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

t. Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Group prior to the end of the financial year which are unpaid.

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u. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised costs. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest rate method. Borrowing are de-recognised from the balance sheet when the obligation specified in the contact is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

v. Use of estimates and management judgements

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are considered to be reasonable and prudent under the circumstances.

The Group has based its assumptions and estimates on parameters available when the unaudited condensed interim consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Group and uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Such changes are reflected in the assumptions when they occur.

The following areas have been identified where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the consolidated financial statements. Changes in estimates are accounted for prospectively.

In order to enhance understanding of the consolidated financial statements, information about areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements have been identified as under:

Significant management judgements:

1. Recoverable amount of property, plant and equipment

In assessing impairment, Group estimates the recoverable amount of each asset or cash-generating units based on expected market outlook and future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

2. Provisions and contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group. The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

3. Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the individual Company's future taxable income against which the deferred tax assets can be utilised.

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Significant management estimates:

1. Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The Group reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

2. Employee benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

Recent Pronouncements on Indian Accounting Standards (Ind AS)

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023. However, these amendments does not have any impact on the Unaudited Condensed Interim Consolidated Financial Statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

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Notes to the Unaudited Condensed Interim Consolidated financial statements for nine month period starting from April 01, 2023 and ended on December 31, 2023
(All amounts in INR lacs, unless otherwise stated)

5 Property, plant and equipment and capital work-in-progress

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Computers	Equipment and Fittings	Total	Capital work-in-progress
Gross Block								
Balance as on April 1, 2022	**4,134.96**	**25,273.02**	**334.58**	**340.82**	**158.07**	**120.19**	**30,361.64**	**37.30**
Additions during the year (refer note c below)	51.23	119.41	2.07	143.66	10.69	7.88	334.94	228.20
Less: Disposals/ adjustments during the year	-	1,779.92	145.90	58.21	33.88	54.22	2,072.13	4.30
Balance as on March 31, 2023	**4,186.19**	**23,612.51**	**190.75**	**426.27**	**134.88**	**73.85**	**28,624.45**	**261.20**
Additions during the period (refer note c below)	5.28	206.49	-	14.91	5.88	0.71	233.27	1,182.22
Less: Disposals/ adjustments during the period	-	-	-	23.84	0.11	-	23.95	-
Balance as on December 31, 2023	**4,191.47**	**23,819.00**	**190.75**	**417.34**	**140.65**	**74.56**	**28,833.77**	**1,443.42**
Accumulated depreciation								
Balance as on April 1, 2022	**1,106.34**	**12,725.71**	**262.22**	**90.49**	**134.05**	**107.00**	**14,425.81**	-
Add: Depreciation for the year	131.52	906.60	15.45	37.75	8.23	7.87	1,107.42	-
Less: Disposals for the year	-	(1,746.92)	(137.85)	(18.93)	(33.88)	(52.46)	(1,990.04)	-
Balance as on March 31, 2023	**1,237.86**	**11,885.39**	**139.82**	**109.31**	**108.40**	**62.41**	**13,543.19**	-
Add: Depreciation for the period	100.40	654.86	8.50	38.10	7.78	3.23	812.87	-
Less: Disposals for the period	-	-	-	(15.12)	(0.07)	-	(15.19)	-
Balance as on December 31, 2023	**1,338.26**	**12,540.25**	**148.32**	**132.29**	**116.11**	**65.64**	**14,340.87**	-
Balance as on December 31, 2023	**2,853.21**	**11,278.75**	**42.43**	**285.05**	**24.54**	**8.92**	**14,492.90**	**1,443.42**
Balance as on March 31, 2023	**2,948.33**	**11,727.12**	**50.93**	**316.96**	**26.48**	**11.44**	**15,081.26**	**261.20**

Note:

a) Refer Note 21 for information on property, plant and equipment pledged as security by the Holding Company;

b) Refer Note 11 for disclosure of contractual commitments for the acquisition of property, plant and equipment;

c) The Group assessed potential generation of economic benefits from its business units and is of the view that assets employed in continuing businesses are capable of generating adequate returns over their useful lives in the normal course of business; there is no indication to the contrary and accordingly the management is of the view that no impairment provision is considered in these Unaudited Condensed Consolidated Interim Financial Statements;

d) Exchange differences on all long-term monetary items resulted in INR Nil (March 31, 2023: deletion of INR 1.24 lacs) to Gross Block of plant & equipment, being the exchange difference on long term monetary items related to the acquisition of a depreciable capital asset.

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XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

6 Other intangible assets

Particulars	Computer software	Technical Knowhow	Total
Gross block			
Balance as on April 1, 2022	28.32	348.38	376.70
Additions during the year	-	-	-
Balance as on March 31, 2023	**28.32**	**348.38**	**376.70**
Additions during the period	-	-	-
Balance as on December 31, 2023	**28.32**	**348.38**	**376.70**
Accumulated amortisation			
Balance as on April 1, 2022	28.32	348.38	376.70
Add: Depreciation for the year	-	-	-
Balance as on March 31, 2023	**28.32**	**348.38**	**376.70**
Add: Depreciation for the period	-	-	-
Balance as on December 31, 2023	**28.32**	**348.38**	**376.70**
Balance as on December 31, 2023	-	-	-
Balance as on March 31, 2023	-	-	-

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Notes to the Unaudited Condensed Interim Consolidated financial statements for nine month period starting from April 01, 2023 and ended on December 31, 2023
(All amounts in INR lacs, unless otherwise stated)

7 Investments (Non-current)

	As at December 31, 2023	As at March 31, 2023
Investments measured at amortised cost		
Investments in bonds (quoted) (Fair value through other comprehensive income)		
Tax Free Bonds (refer details below*)	472.55	464.83
Investments in equity shares (Fair value through Profit and loss)		
13,000 equity shares (March 31, 2023: Nil) of INR 10 each in TP Mercury Limited	1.30	-
Total Investments	**473.85**	**464.83**
Aggregate amount of quoted investments	472.55	464.83
Aggregate amount of unquoted investments	1.30	-

* *Quoted Investments*

	As at December 31, 2023		As at March 31, 2023	
	Number of Units	Amount	Number of Units	Amount
8.66% IIFCL Tax Free Bond - 2034 (Maturity - January 01, 2034) (Face Value: INR 1,000 each)	20000	254.38	20000	248.50
8.48% IIFCL Tax Free Bond - 2028 (Maturity - September 09, 2028) (Face Value: INR 10,00,000 each)	10	113.57	10	113.89
8.66% NTPC Tax Free Bond - 2033 (Maturity - December 16, 2033) (Face Value: INR 1,000 each)	3463	44.81	3463	43.31
8.63% IRFC Tax Free Bond - 2029 (Maturity - March 26, 2029) (Face Value: INR 1,000 each)	2500	29.26	2500	28.91
8.66% IIFCL Tax Free Bond - 2034 (Maturity - January 22, 2034) (Face Value: INR 1,000 each)	1499	19.02	1499	18.78
8.54% PFC Tax Free Bond - 2028 (Maturity - November 16, 2028) (Face Value: INR 1,000 each)	1000	11.51	1000	11.44
		472.55		**464.83**

The aggregate amount of investment in bonds at purchase price is INR 5,10.98 lacs (March 31, 2023: INR 5,10.98 lacs)

8 Loans (Non-current)
(Considered good - unsecured)

	As at December 31, 2023	As at March 31, 2023
Loans to employees	17.86	22.13
	17.86	**22.13**

Note: There are no loans due by directors or other officers of the Group either severally or jointly with any other persons or amounts due by firms or private companies in which any director is a partner or a director or a member.

9 Other non-current financial assets
(Considered good - unsecured)

	As at December 31, 2023	As at March 31, 2023
VAT subsidy	77.30	156.78
Security deposits	243.41	180.20
Bank deposits with more than 12 months maturity	-	4.45
	320.71	**341.43**

10 Non-current income-tax assets (net)

	As at December 31, 2023	As at March 31, 2023
Prepaid taxes (net of provision for tax Rs. 639.65; previous year Rs. Nil)	203.05	171.80
	203.05	**171.80**

11 Other non-current assets
(Considered good - unsecured)

	As at December 31, 2023	As at March 31, 2023
Capital advances	4,207.32	3,517.10
Advances other than capital advances:		
Prepaid expenses	9.92	11.78
Balances with statutory authorities	22.81	28.55
Others	123.20	-
	4,363.25	**3,557.43**

Note:
Capital commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts (net of capital advances): INR 29,529.11 lacs (March 31, 2023: INR 25,503.70 lacs)

b) Unpaid portion of subscribed equity capital in subsidiary Rs. 47.50 lacs (March 31, 2023: Rs. 47.50 lacs)

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XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

12 Inventories
(valued at lower of cost and net realisable value)

	As at December 31, 2023	As at March 31, 2023
Raw material	3,204.44	3,064.19
Work-in-progress	190.31	270.39
Finished goods	1,218.63	1,026.78
Stores and spares	393.08	370.71
Stock-in-trade	0.06	0.06
	5,006.52	**4,732.13**

13 Trade receivables

	As at December 31, 2023	As at March 31, 2023
Trade receivables considered good, unsecured	4,080.02	5,098.39
	4,080.02	**5,098.39**

Note:
(a)There are no amounts due by directors or other officers of the Group either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.
(b) All amounts are short-term The net carrying value of trade receivables is considered a reasonable approximation of fair value

14 Cash and cash equivalents

	As at December 31, 2023	As at March 31, 2023
Balances with banks in current accounts	11.09	13.03
Cash on hand	2.76	2.13
	13.85	**15.16**

15 Bank balances other than cash and cash equivalents

	As at December 31, 2023	As at March 31, 2023
Deposit accounts with original maturity of more than 3 months but remaining maturity of less than 12 months	12,394.72	2,625.90
Unpaid dividend accounts	7.49	3.69
Balances held as margin money	456.44	371.52
	12,858.65	**3,001.11**

16 Loans (currents)
(Considered good - unsecured)

	As at December 31, 2023	As at March 31, 2023
Loans to employees	10.40	12.44
	10.40	**12.44**

17 Other financial assets (Current)
(Considered good - unsecured)

	As at December 31, 2023	As at March 31, 2023
Recoverable from other parties	-	-
Security deposits	0.55	0.57
Interest accrued but not due (on tax-free bonds)	13.71	11.52
	14.26	**12.09**

18 Other current assets
Considered good - unsecured

	As at December 31, 2023	As at March 31, 2023
Advances to suppliers	58.41	28.58
Prepaid expenses	77.95	194.94
Balance with statutory authorities	179.04	59.96
Other receivables		
Loans - considered good, unsecured	24.29	49.72
	339.69	**333.20**

Notes:
Balance with statutory authorities represents goods and services tax (earlier service tax) paid on inputs (earlier input and services) utilised by the Group and eligible for utilisation towards discharge of goods and services tax (earlier service tax liability) in respect of services rendered by the Group. The Group expects the utilisation of outstanding balances as at each date of Unaudited Condensed Interim Consolidated Financial Statement within twelve months thereof.

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XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

19 Equity share capital

	As at December 31, 2023	As at March 31, 2023
Authorised:		
3,50,00,000 (March 31, 2023 3,50,00,000) Equity shares of INR 10 each	3,500.00	3,500.00
Issued, subscribed and paid up:		
2,06,72,244 (March 31, 2023 1,82,12,231) equity shares of INR 10 each fully paid	2,067.22	1,821.22
Share capital suspense		
13 (March 31, 2023 13) equity shares of INR 10 each fully paid (*rounded off to INR Nil)	*	*
	2,067.22	**1,821.22**

a) Share Capital Suspense comprises of 12 equity shares pending to be allotted as fully paid up to some non-resident equity shareholders without payment being received in cash in terms of Regulation 7 of Notification No FEMA 20/2000 RB of May 3, 2000 (as amended) and 1 equity share of INR 10 pending to be allotted as fully paid to a non-resident share holder by way of bonus share in terms of RBI regulations.

b) Reconciliation of number of equity shares outstanding:

	As at December 31, 2023		As at March 31, 2023	
	Number of equity shares	Amount	Number of equity shares	Amount
At the beginning of the period/ year	18,212,244	1,821.22	11,813,500	1,181.35
Bonus equity shares issued during the period/ year	-	-	5,906,744	590.67
Equity shares issued on conversion of fully paid warrants	1,640,000	164.00	328,000	32.80
Bonus equity shares issued on conversion of fully paid warrants	820,000	82.00	164,000	16.40
At the end of the period/ year	20,672,244	2,067.22	18,212,244	1,821.22

c) **Terms/rights attached to equity shares**
The Holding Company has issued only one class of equity shares having a face value of INR 10 per share. All Equity Shares carry one vote per share without restrictions and are entitled to Dividend, as and when declared. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, if any, in proportion to their respective shareholding. All shares rank equally with regard to the Holding Company's residual assets.

d) Shareholders holding more than 5% shares in the Company:

Name of the Shareholder(s)	As at December 31, 2023	As at March 31, 2023
i) Intellipro Finance Private Limited		
No. of shares	3,457,500	3,457,500
% of shares held	16.73	18.98
ii) iPro Capital Limited		
No. of shares	4,409,999	4,409,999
% of shares held	21.33	24.21

e) Shareholding of Promoters:

Promoter Name	Shares held by Promoters/Promoter Group				
	As on March 31, 2023		As on December 31, 2023		% change during the period
	No. of Shares	% of total shares	No. of Shares	% of total shares	
1.Birla Eastern Limited	27,600	0.15	27,600	0.13	(0.02)
2.Birla Holdings Limited	249,975	1.37	249,975	1.21	(0.16)
3.Birla, Madhushree Smt.	150,187	0.82	150,187	0.73	(0.09)
4.Birla, Sidharth Kumar	152,812	0.84	152,812	0.74	(0.10)
5.Birla, S K	829	0.00	829	0.00	0.00
6.Sudarshan Kumar Birla (HUF)	234	0.00	234	0.00	0.00
7.Birla, Sumangala Smt.	2,290	0.01	2,290	0.01	0.00
8.Central India General Agents Limited	805,500	4.42	805,500	3.90	(0.52)
9.IntelliPro Finance Private Limited	3,457,500	18.98	3,457,500	16.73	(2.25)
10.iPro Capital Limited	4,409,999	24.21	4,409,999	21.33	(2.88)
11.Janardhan Trading Co. Ltd.	99,000	0.54	99,000	0.48	(0.06)
Promoter/Promoter Group Total:	9,355,926	51.34	9,355,926	45.26	(6.08)

Promoters for the purpose of this disclosure means promoters as defined under section 2(69) of the Companies Act, 2013.

f) During the nine months period ended December 31, 2023, the Holding Company has issued 8,20,000 equity shares of INR 10 each as fully paid-up bonus shares in the ratio of one equity share for every two equity shares to warrant holders on conversion of fully paid warrants to equity shares (previous year ended March 31, 2023: (a) 59,06,744 equity shares of INR 10 each as fully paid-up bonus shares in the ratio of one equity share for every two equity shares outstanding on record date, and (b) 1,64,000 equity shares of INR 10 each as fully paid-up bonus shares in the ratio of one equity share for every two equity shares to warrant holders on conversion of fully paid warrants to equity shares).

There have been no other shares which has been issued for a consideration other than cash and no shares bought back by the Holding Company during the period of 5 years immediately preceding the reporting date.

g) There are no options outstanding as at the end of the period/ year.

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Notes to the Unaudited Condensed Interim Consolidated financial statements for nine month period starting from April 01, 2023 and ended on December 31, 2023

(All amounts in INR lacs, unless otherwise stated)

20 Other equity

	Reserves and surplus						
	Capital subsidy reserve	**Securities Premium**	**General reserve**	**Retained earnings**	**Financial assets through OCI**	**Money received against share warrant**	**Total**
Balance as at April 1, 2022	**60.50**	**406.58**	**6,750.00**	**5,068.29**	**(13.12)**	**3,749.04**	**16,021.29**
Additions:							
Profit for the period	-	-	-	4,109.58	-	-	4,109.58
Other comprehensive income/(loss) (net of tax)	-	-	-	(8.64)	(15.52)	-	(24.16)
Payment of dividend	-	-	-	(236.27)	-	-	(236.27)
Issue of bonus shares	-	(406.58)	(184.09)	-	-	-	(590.67)
Balance as at December 31, 2022	**60.50**	**-**	**6,565.91**	**8,932.96**	**(28.64)**	**3,749.04**	**19,279.77**
Balance as at April 1, 2023	**60.50**	**2,466.56**	**6,549.51**	**9,368.26**	**(34.54)**	**3,124.20**	**21,534.49**
Additions:							
Profit for the period	-	-	-	3,144.47	-	-	3,144.47
Other comprehensive income/(loss) (net of tax)	-	-	-	(0.13)	5.78	-	5.65
Payment of dividend	-	-	-	(413.44)	-	-	(413.44)
Issue of bonus shares	-	-	-	-	-	9,372.60	9,372.60
Balance proceeds from warrants	-	12,332.80	-	-	-	(12,496.80)	(164.00)
Issue of shares against warrants		(82.00)	-	-	-	-	(82.00)
Balance as at December 31, 2023	**60.50**	**14,717.36**	**6,549.51**	**12,099.16**	**(28.76)**	**-**	**33,397.77**

Nature and purpose of reserves

a) Capital subsidy reserve

This represents the profit earned by the Holding Company through a special transaction in the nature of a government subsidy that is not available for distributing dividend.

b) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

c) General reserve

General reserve is a distributable reserve created by way of transfer from time to time from profits. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

d) Retained earnings

Represents the accumulated balances of profits earned over the years after appropriation to general reserves, and adjustments for dividends or other distributions paid to shareholders.

e) Money received against warrants

Represents amount received towards preferential allotment of convertible warrants issued.

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	As at December 31, 2023	As at March 31, 2023
21 Non current financial liabilities - Borrowings		
Indian rupee loan from banks (secured)		
Term loans (refer note a to d)	504.36	947.10
Vehicle loans (refer note e)	-	9.27
	504.36	**956.37**

a) Working Capital Term Loan from State Bank of India, under Guaranteed Emergency Credit Line 2.0 (GECL2.0) scheme, outstanding INR 8,00.08 lacs (previous year: INR 11,00.90 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 47 monthly instalments of INR 33.33 lacs each starting from January 2022 and (ii) last instalment of INR 33.49 lacs is due in December 2025 and is secured by extension of second charge over the existing primary and collateral securities including mortgages created in favour of the Consortium banks on pari-passu basis and covered under guarantee coverage from National Credit Guarantee Trustee Company Ltd (NCGTC).

b) Working Capital Term Loan from Punjab National Bank, under GECL2.0 scheme, outstanding INR 83.17 lacs (previous year: INR 1,40.62 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 35 monthly instalments of INR 6.38 lacs each starting from February 2022 and (ii) last instalment of INR 6.70 lacs is due in January 2025 and is secured by extension of second charge over the existing primary and collateral securities including mortgages created in favour of the Consortium banks on pari-passu basis and covered under guarantee coverage from NCGTC.

c) Working Capital Term Loan from Indian Bank, under GECL2.0 scheme, outstanding INR 2,05.20 lacs (previous year: INR 2,89.67 lacs), carrying interest linked to the bank's MCLR, repayable in 48 monthly instalments of INR 8.96 lacs each starting from April 2022 is secured by extension of second charge over the existing primary and collateral securities including mortgages created in favour of the Consortium banks on pari-passu basis and covered under guarantee coverage from NCGTC.

d) The above-mentioned term loans carry interest rate between 7.9 to 12 % per annum (previous year: 7.9 to 12 %).

e) Vehicle Loan of INR 14.81 lacs (previous year: INR 29.98 lacs) carrying interest at between 7 to 7.8 % per annum (previous year: 9 to 9.5%) repayable in 36 monthly instalment(s) commencing from date of disbursement, are secured by hypothecation of specified vehicles.

f) There has been no default in servicing of loans and interest due thereon during and as at the end of the period;

g) Term Loan from banks are further secured by pledge of 15% of promoters (Birla Holdings Limited and Ipro Capital Limited) equity shareholding in the Holding Company;

h) Interest accrued on above borrowings is INR 6.91 lacs (March 31, 2023: INR 2.12 lacs).

22 Non-current financial liabilities - Others

	As at December 31, 2023	As at March 31, 2023
Security deposits	-	6.57
	-	**6.57**

23 Provisions

	As at December 31, 2023	As at March 31, 2023
Employee benefits		
Non-current		
Gratuity	105.21	18.98
Compensated absences	10.59	-
	115.80	**18.98**

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XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

24 Deferred tax liabilities (net)

	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
A. Components of Income Tax Expense		
I. Tax expense recognised in the Unaudited Special Purpose Condensed Interim Consolidated Statement of Profit and Loss		
Current tax	639.65	-
Tax adjusted for earlier years	-	(0.03)
	639.65	(0.03)
Deferred Tax	580.06	290.21
Total	1,219.71	290.18
II. Recognised in Other Comprehensive Income		
Tax impact on		
- Re-measurement on defined benefit plan	0.04	2.91
- Change in fair value of tax free bonds	(1.95)	5.22
Total	(1.91)	8.13
B. Reconciliation of tax expense and the accounting profit		
Profit before tax	4,364.18	4,399.76
Statutory income tax rate (%)	25.17	25.17
Tax expense at statutory income tax rate	1,098.46	1,107.42
Tax adjustment for earlier years	-	(0.03)
Impact of non-deductible expenses	184.92	-
Income chargeable at lower tax rate	-	(13.75)
Tax expense	1,283.38	1,093.64
Tax impact of utilisation of brought forward losses	(643.73)	(1,093.67)
Current tax	639.65	(0.03)

C. Deferred tax assets/liabilities (net)	As at December 31, 2023	As at March 31, 2023
Deferred tax liability		
Fixed assets:		
Impact of difference between book and tax depreciation	1,547.65	1,546.41
Gross deferred tax liability	**1,547.65**	**1,546.41**
Deferred tax assets		
Carried forward losses/unabsorbed depreciation	-	584.68
Provision for employee benefits	10.68	4.78
Investment at fair value through OCI	9.67	11.62
Gross deferred tax assets	20.35	601.08
Deferred tax liability to the extent recognized	**20.35**	**601.08**
Net deferred tax asset/(liability)	(1,527.30)	(945.33)

D. Movement in Deferred tax (liabilities)/assets (net)

	Property, plant and equipment	Carry forward of losses	Provision for employee benefits	Investments at fair value through OCI	Net deferred tax asset/(liability)
Balance as at April 1, 2022	**(615.28)**	**1,020.98**	**48.82**	**-**	**454.52**
Recognised during the period in Consolidated Statement of Profit and Loss	(248.91)	(17.65)	(23.65)	-	(290.21)
Recognised during the period in Other Comprehensive Income	-	-	2.91	5.22	8.13
Balance as at December 31, 2022	**(864.19)**	**1,003.33**	**28.08**	**5.22**	**172.44**
Recognised during the period in Consolidated Statement of Profit and Loss	(682.22)	(418.65)	(20.45)	-	(1,121.32)
Recognised during the period in Other Comprehensive Income	-	-	(2.85)	6.40	3.55
Balance as at March 31, 2023	**(1,546.41)**	**584.68**	**4.78**	**11.62**	**(945.33)**
Balance as at April 1, 2023	**(1,546.41)**	**584.68**	**4.78**	**11.62**	**(945.33)**
Recognised during the period in Consolidated Statement of Profit and Loss	(1.24)	(584.68)	5.86	-	(580.06)
Recognised during the period in Other Comprehensive Income	-	-	0.04	(1.95)	(1.91)
Balance as at December 31, 2023	**(1,547.65)**	**-**	**10.68**	**9.67**	**(1,527.30)**

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

25 Current financial liabilities - Borrowings

	As at December 31, 2023	As at March 31, 2023
Secured		
Loans repayable on demand		
Working capital loan from banks (refer note a and b below)	1,227.84	2,041.51
Current maturities of long-term borrowings (refer note 21)	605.81	606.92
	1,833.65	**2,648.43**

Notes:

a) Working Capital loans, repayable on demand, and bearing interest at the rate of between 8.75 to 10.75 % per annum are secured by first charge, ranking pari-passu, in favour of members of the Consortium of Banks, on all current assets of the Holding Company, present and future, and second charge, ranking pari-passu with term lender banks, on the entire fixed assets of the Holding Company, present and future, wherever situated.

b) There has been no default in servicing of loans and interest payable thereon during and as at the end of the period/ year.

26 Current financial liabilities - Trade payables

	As at December 31, 2023	As at March 31, 2023
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	174.14	141.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,905.99	3,691.22
Acceptances	1,164.28	1,206.28
	4,244.41	**5,038.54**

Notes:

a) Trade payables are non-interest bearing and are normally settled within 90 days except for payments to MSME which are settled within 45 days. Refer note 42 for information on the Group's credit risk management processes.

b) Acceptances include arrangements where operational supplies of goods and services are paid by banks on due date which are normally effected within a period of 90 days from the date of transaction.

c) Disclosures with respect to related party transactions is given in note 39.

d) Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the respective companies in the Group on the basis of the information available with the Company and the auditors have relied on the same.

27 Current financial liabilities - others

	As at December 31, 2023	As at March 31, 2023
Creditors for capital expenditure	13.08	49.61
Unpaid dividend	7.49	3.69
Employee payables	235.80	190.24
Security deposit received	65.77	7.50
	322.14	**251.04**

28 Other current liabilities

	As at December 31, 2023	As at March 31, 2023
Contract liabilities	13.30	13.52
Statutory dues payable	247.20	516.81
	260.50	**530.33**

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XPRO INDIA LIMITED

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in INR lacs, unless otherwise stated)

29 Revenue from operations

	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Sale of products		
- Finished goods	33,423.87	37,820.21
Other operating income		
- Scrap sale	262.38	271.62
- Export incentives and margins	13.89	69.35
- Processing charges	-	508.45
Total	**33,700.14**	**38,669.63**

30 Other Income

	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Interest on		
Fixed deposits	452.36	87.42
Income-tax refund	0.36	-
Other financial assets carried at fair value through other comprehensive income	24.93	24.85
Others	7.92	7.85
Dividend income	0.05	0.08
Other non operating income		
Insurance claim received	8.81	-
Foreign currency transactions (net)	49.49	32.23
Excess provision written back	91.70	-
Profit on sale of property, plant and equipment including assets held for sale	1.23	76.51
Miscellaneous income	66.52	92.24
	703.37	**321.18**

31 Cost of materials consumed

	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Raw material at the beginning of the period	3,064.19	2,542.50
Add: Purchases during the period	22,950.25	27,041.49
Less: Raw material at the end of the period	(3,204.44)	(2,991.44)
Total cost of materials consumed	**22,810.00**	**26,592.55**

32 Changes in inventories of finished products and work-in-progress

	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Inventories at the beginning of the period		
- Finished goods	1,026.78	1,432.75
- Work-in-progress	270.39	179.67
- Stock-in-trade	0.06	0.06
	1,297.23	**1,612.48**
Inventories at the end of the period		
- Finished goods	1,218.63	1,326.35
- Work-in-progress	190.31	255.63
- Stock-in-trade	0.06	0.06
	1,409.00	**1,582.04**
(Increase)/ decrease in inventory	**(111.77)**	**30.44**

33 Employee benefits expense

	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Salary, wages and bonus	2,115.74	1,910.51
Contribution to provident and other funds	244.87	222.53
Staff welfare expenses	111.82	112.80
	2,472.43	**2,245.84**

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WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

34 Finance costs

	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Interest expense on borrowings measured at amortised cost	302.73	449.32
Interest on lease liability (refer note 43)	21.23	19.80
Other borrowing cost	98.62	91.78
	422.58	**560.90**

35 Depreciation and amortisation expense

	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Depreciation on tangible assets	812.87	846.09
Amortisation on right-of-use assets (refer note 43)	38.93	31.72
	851.80	**877.81**

36 Other expenses

	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Consumption of stores and spares	734.01	714.18
Processing charges	36.63	26.17
Power and fuel	1,744.60	2,289.09
Rent (refer note 43)	6.81	22.88
Repairs to:		
- Building	6.15	24.13
- Plant and machinery	94.60	164.49
- Others	19.75	28.92
Communication	13.64	16.15
Director's fees	59.00	19.11
Insurance	114.76	117.45
Legal and professional	104.58	80.53
Rates and taxes	31.85	38.31
Security expenses	60.39	57.78
Travelling and conveyance	178.32	157.23
Rebates and commission	145.83	156.89
Payment to auditors	25.00	23.09
Other selling expenses	4.92	14.36
Corporate Social Responsibility	40.00	15.00
Miscellaneous expenses	173.45	317.75
	3,594.29	**4,283.51**

37 Earnings per share

	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Profit for the period attributable to equity shareholders (A)	3,144.47	4,109.58
Number of equity shares outstanding at the beginning of the period	11,813,500	11,813,500
Add:- Bonus shares issued on ordinary shares during the period	5,906,744	5,906,744
Add:- Equity shares issued on conversion of warrants during the period	1,371,636	-
Add:- Bonus shares issued on conversion of warrants during the period	685,818	-
Weighted average number of equity shares outstanding during the period for computation of Basic EPS (B)	19,777,698	17,720,244
Add:- Impact of Convertible warrants	-	992,651
Weighted average number of equity shares outstanding during the period for computation of Diluted EPS (C)	19,777,698	18,712,895
Nominal value per share (INR)	10.00	10.00
Basic earnings per equity share (face value of share- Rs 10 each) (A/B) (INR)	15.90	23.19
Diluted earnings per equity share (face value of share- Rs 10 each) (A/C) (INR)	15.90	21.96

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

XPRO INDIA LIMITED

(All amounts in INR lacs. unless otherwise stated)

38 Contingent liabilities, contingent assets and commitments

A Contingent Liabilities and other commitments

	As at December 31, 2023	As at March 31, 2023
i) Claims against the Group not acknowledged as debts	2.50	2.50
ii) Sales tax, Excise and Customs matters	388.33	389.24
iii) Estimated Liability towards lenders for Right to Recompense for term loans taken in earlier years (Refer note 1)	200.00	-
iv) Others *(claims not acknowledged as debt)*	36.68	36.68

Note 1 : The Company based on discussion with lenders believes that no liability will arise on account of this matter;

Note 2 : The Hon'ble Supreme Court had in its judgement in February 2019 opined on the applicability of allowances that should be considered as forming part of basic wages for computing provident fund contribution. Management believes that there are interpretative challenges in the application of the judgement retrospectively and therefore has not considered any probable obligations for past periods while awaiting further directions/clarifications in the matter to assess any potential impact on the Group as no reliable estimate can yet be made.

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XPRO INDIA LIMITED

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

(All amounts in INR lacs, unless otherwise stated)

39 Related Party Disclosures

Non-executive Directors are disclosed as Key Managerial Personnel as per the requirement of Ind AS24.
However, they are not KMPs as per Companies Act, 2013.

A. List of Related Parties:

1. Entities exercising significant influence over the Group	a) iPro Capital Limited; b) Intellipro Finance Pvt. Ltd.
2. Entities over which Key Managerial Personnel have control	a) Central India General Agents Ltd. b) Kriscore Financial Advisors Private Limited
3. Post-employment benefit funds	a) Xpro India Limited Employees Provident Fund Trust;
4. Key managerial personnel	a) Executive Directors: (i) Sri Sidharth Birla, Chairman (ii) Sri C Bhaskar, Managing Director & CEO
	b) Non-executive Independent Directors: (i) Sri K Balakrishnan (w.e.f. May 25, 2022) (ii) Sri Amitabha Guha (iii) Sri Ashok Kumar Jha (iv) Ms Suhana Murshed (w.e.f. August 10, 2021) (v) Sri Utsav Parekh (vi) Sri S Ragothaman (vii) Sri Umrao Chand Jain (upto May 29, 2023) (viii) Sri Manoj Mohanka (w.e.f September 28, 2023)
	c) Non-executive Non-Independent Directors: (i) Smt Madhushree Birla (ii) Sri Bharat Jhaver (w.e.f. May 25, 2022)
	d) Others: (i) Sri H Bakshi, Sr. President & COO (ii) Sri V K Agarwal, President (F) & CFO (iii) Sri Kamal Kishor Sewoda, Company Secretary (w.e.f. February 15, 2023) (iv) Sri Amit Dhanuka, Company Secretary (upto January 14, 2023)
	e) Relatives of Key managerial personnel *: (i) Sri Sudarshan Kumar Birla (ii) Smt Sumangala Birla (iii) Sri Sudarshan Kumar Birla (HUF) (iv) Smt Vasusri Jhaver (v) Smt Meenakshi Apoorva Bajaj (vi) Smt Usha Ragothaman (vii) Smt Kiran Jhaver (viii) Smt Mousumi Bakshi * *with whom the Group had transactions during the current or previous period*

B. Terms and conditions of transactions with related parties

The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

C. Transactions with Related Parties:

Related Party	Nature of Transaction	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Xpro India Ltd. Employees Provident Fund Trust	Employer's contribution to post employment benefit fund	51.81	44.04
iPro Capital Limited	Dividend paid	88.20	58.80
	Bonus shares issued *(face value of INR 10 each)*	-	147.00
Intellipro Finance Pvt. Ltd.	Dividend paid	69.15	46.10
	Bonus shares issued *(face value of INR 10 each)*	-	115.25
Central India General Agents Ltd.	Bonus shares issued *(face value of INR 10 each)*	-	13.10
	Dividend paid	16.11	5.50
Sri Sidharth Birla	Remuneration (including leave encashment)	113.44	94.68
	Dividend paid	3.06	2.04
	Bonus shares issued *(face value of INR 10 each)*	-	5.09
Sri C Bhaskar	Remuneration (including leave encashment)	134.45	95.52
	Dividend paid	1.41	1.15
	Bonus shares issued *(face value of INR 10 each)*	-	2.89
	Sitting fees	0.03	0.03
Sri K Balakrishnan	Sitting Fees	6.70	2.00
Sri Amitabha Guha	Sitting Fees	8.65	3.05
Sri Ashok Kumar Jha	Sitting Fees	5.50	2.00
Sri Manoj Mohanka	Sitting Fees	2.00	-
Ms. Suhana Murshed	Sitting Fees	6.30	2.00
Sri Utsav Parekh	Sitting Fees	7.75	2.80
	Dividend paid	0.01	0.01
	Bonus shares issued *(face value of INR 10 each)*	-	0.03
Sri S Ragothaman	Sitting Fees	7.73	3.18
	Dividend paid	2.03	1.37
	Bonus shares issued *(face value of INR 10 each)*	-	3.42

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(All amounts in INR lacs, unless otherwise stated)

Related Party	Nature of Transaction	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Smt Madhushree Birla	Sitting Fees	5.53	2.03
	Dividend paid	3.00	2.00
	Bonus shares issued *(face value of INR 10 each)*	-	5.01
Sri Bharat Jhaver	Sitting Fees	5.00	2.00
Sri Umrao Chand Jain	Sitting Fees	0.01	0.02
Sri H Bakshi	Remuneration	88.30	66.52
	Dividend paid	0.30	0.20
	Bonus shares issued *(face value of INR 10 each)*	-	0.51
Sri V K Agarwal	Remuneration	75.93	53.18
	Sitting Fees	0.01	-
	Dividend paid	0.25	0.17
	Bonus shares issued *(face value of INR 10 each)*	-	0.42
Sri Kamal Kishor Sewoda	Remuneration	14.90	-
Sri Amit Dhanuka	Remuneration	-	13.64
Sri Sudarshan Kumar Birla	Dividend paid	0.02	0.01
	Bonus shares issued *(face value of INR 10 each)*	-	0.03
Smt Sumangala Birla	Dividend paid	0.05	0.03
	Bonus shares issued *(face value of INR 10 each)*	-	0.08
Sri Sudarshan Kumar Birla (HUF)	Dividend paid	-	-
	Bonus shares issued *(face value of INR 10 each)*	-	0.01
Smt Vasusri Jhaver	Dividend paid	1.57	1.05
	Bonus shares issued *(face value of INR 10 each)*	-	2.62
Smt Meenakshi Apoorva Bajaj	Dividend paid	5.00	3.50
	Bonus shares issued *(face value of INR 10 each)*	-	8.75
Smt Usha Ragothaman	Dividend paid	0.09	0.07
	Bonus shares issued *(face value of INR 10 each)*	-	0.18
Smt Kiran Jhaver	Dividend paid	0.15	0.10
	Bonus shares issued *(face value of INR 10 each)*	-	0.25
Smt Mousumi Bakshi	Dividend paid	0.00	0.00
	Bonus shares issued *(face value of INR 10 each)*	-	0.00
Kriscore Financial Advisors Private Limited	Dividend paid	0.16	-

Note: Provisions for gratuity and leave benefits are made for the Company as a whole, hence the amount pertaining to key management personnel are not specifically identified and are not included in remuneration above

D. No balances were outstanding at the end of the current or previous period from/to any of the Related parties.

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XPRO INDIA LIMITED

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

40 Segment Information

The Group operates predominantly within a single reportable business segment i.e. Polymers Processing business and mainly in a single geographic segment i.e. India. There are no separate reportable business or geographic segments. The aforesaid is in line with review of performance and allocation of resources by the chief operating decision maker.

Revenue of INR 12,223.50 lacs (previous period: INR 16,454.43 lacs) was derived from two external customers each accounting for over ten percent of the revenue.

41 Fair Value Measurements

a) Financial instruments by category

All financial assets and liabilities viz. trade receivables, security deposits, cash and cash equivalents, Bank balances other than cash and cash equivalents, interest receivable, trade payables, employee related liabilities and short term loans from banks, are measured at amortised cost.

(b) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the unaudited condensed interim consolidated financial statements are categorised into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical financial instruments;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: If there are unobservable inputs for the asset or liability, then the instrument is included in level 3.

Financial assets and financial liabilities measured at fair value - recurring fair value measurements

As at December 31, 2023	Level 1	Level 2	Level 3
Financial assets			
Fair value through other comprehensive income			
Derivatives assets	472.55	-	-
Fair value through profit and loss			
Derivatives assets	-	-	1.30
Total	**472.55**	-	**1.30**
Financial liabilities	-	-	-
Total	-	-	-

As at December 31, 2022	Level 1	Level 2	Level 3
Financial assets			
Fair value through other comprehensive income			
Derivatives assets	464.83	-	-
Fair value through profit and loss			
Derivatives assets	-	-	-
Total	**464.83**	-	-
Financial liabilities	-	-	-
Total	-	-	-

Valuation process and technique used to determine the fair value

Fair value through other comprehensive income

Investment in tax free bonds are valued at fair value which is based on direct and market observable inputs.

Fair value through profit and loss

Investment in equity shares are valued at fair value which is derived on the basis of income approach. In this approach, the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

(c) Financial instrument by category measured at amortised cost

Particulars	As at December 31, 2023		As at March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Trade receivables	4,080.02	4,080.02	5,098.39	5,098.39
Cash and cash equivalents	13.85	13.85	15.16	15.16
Bank balances other than cash and cash equivalents	12,858.65	12,858.65	3,001.11	3,001.11
Loans	28.26	28.26	34.57	34.57
Other financial assets	334.97	334.97	353.52	353.52
Total	**17,315.75**	**17,315.75**	**8,502.75**	**8,502.75**
	Carrying value	Fair value	Carrying value	Fair value
Financial liabilities				
Borrowings	2,338.01	2,338.01	3,604.80	3,604.80
Lease liabilities	236.44	236.44	263.39	263.39
Trade payables	4,244.41	4,244.41	5,038.54	5,038.54
Other financial liabilities	322.14	322.14	257.61	257.61
Total	**7,141.00**	**7,141.00**	**9,164.34**	**9,164.34**

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The management assessed that for current assets including security deposits, loans, cash and cash equivalents, trade receivables, other recoverable and other current financial liabilities, borrowings, trade payables, the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) All the long-term borrowing facilities availed by the Group are variable rate facilities which are subject to changes in underlying Interest rate indices. The management believes that the carrying rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

42 Financial risk management
i) Financial instruments by category

Particulars	As at December 31, 2023 FVTPL	As at December 31, 2023 FVOCI	As at December 31, 2023 Amortised cost	As at March 31, 2023 FVTPL	As at March 31, 2023 FVOCI	As at March 31, 2023 Amortised cost
Financial assets						
Investments	1.30	472.55	-	-	464.83	-
Trade receivables	-	-	4,080.02	-	-	5,098.39
Cash and cash equivalents	-	-	13.85	-	-	15.16
Bank balances other than cash and cash equivalents	-	-	12,858.65		-	3,001.11
Loans	-	-	28.26	-	-	34.57
Other financial assets	-	-	334.97	-	-	353.52
Total	**1.30**	**472.55**	**17,315.75**	-	**464.83**	**8,502.75**
Financial liabilities						
Borrowings	-	-	2,338.01	-	-	3,604.80
Trade payables	-	-	4,244.41	-	-	5,038.54
Other financial liabilities	-	-	322.14	-	-	257.61
Lease Liabilities	-	-	236.44	-	-	263.39
Total	-	-	**7,141.00**	-	-	**9,164.34**

The carrying value of the amortised financial assets and liabilities approximate to the fair value on the respective reporting dates.

ii) Risk management

The entity's activities expose it to market risk, liquidity risk and credit risk. The entity board of directors has overall responsibility for the establishment and oversight of the entity's risk management framework. "This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the unaudited condensed interim consolidated financial statements.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the entity. The entity's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The entity continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk arises from cash and cash equivalents, trade receivables and deposits with banks and financial institutions.

Credit risk management

Credit risk rating

The entity assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets:

i) Low credit risk on financial reporting date
ii) Moderate credit risk
iii) High credit risk on financial reporting date

The Group provides for expected credit loss on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, Bank balances other than cash and cash equivalents, loans, trade receivables and other financial assets	12 month expected credit loss

Based on business environment in which each entity in the group operates, there have been no defaults on financial assets of the entity by the counterparty.

Assets are written off when there is no reasonable expectation of recovery, such a debtor declaring bankruptcy or a litigation decided against the entity. The entity continues to engage with parties whose balances are written off and attempts to enforce repayment. The entity does not have any of the debts which are recoverable.

Assets under credit risk –

Credit rating	Particulars	As at December 31, 2023	As at March 31, 2023
Low credit risk	Cash and cash equivalents, Bank balances other than cash and cash equivalents, loans, trade receivables and other financial assets	17,315.75	8,502.75

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XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the India.

Trade receivables

The Group closely monitors the credit-worthiness of the debtors through internal systems for corporate customers, thereby, limiting the credit risk. The Group assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivables become one year past due.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposit and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are written defined limits.

Expected credit losses for financial assets other than trade receivables

Group provides for expected credit losses on loans and advances by assessing individual financial instruments for expectation of any credit losses. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the Group can draw to apply consistently to entire population. For such financial assets, the Group's policy is to provide for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Group does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

Particulars	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
December 31, 2023				
Investments	473.85	0%	-	473.85
Loans	28.26	0%	-	28.26
Trade receivables	4,080.02	0%	-	4,080.02
Cash and cash equivalents	13.85	0%	-	13.85
Bank balances other than cash and cash equivalents	12,858.65	0%	-	12,858.65
Other financial assets	334.97	0%	-	334.97
March 31, 2023				
Investments	464.83	0%	-	464.83
Loans	34.57	0%	-	34.57
Trade receivables	5,098.39	0%	-	5,098.39
Cash and cash equivalents	15.16	0%	-	15.16
Bank balances other than cash and cash equivalents	3,001.11	0%	-	3,001.11
Other financial assets	353.52	0%	-	353.52

Expected credit loss for trade receivables under simplified approach

The Group recognizes life-time expected credit losses on trade receivables using a simplified approach, wherein Group has defined percentage of provision by analyzing historical trends of default. There have been no significant past due trade receivables as Group receives its significant revenue from selling to major customers directly, wherein there are very low or no chances of non-recoverability. For the rest of operations there were no significant past due receivables.

Particulars		As at December 31, 2023	As at March 31, 2023
Gross amount of trade receivables where no default has occurred		4,080.02	5,098.39
Expected loss rate	(%)	-	-
Expected credit loss(loss allowance provision)		-	-

B) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors at the Holding Company. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

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XPRO INDIA LIMITED

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual discounted cash flows.

Particulars	≤ 1 year	1 - 5 year	≥ 5 years	Total
December 31, 2023				
Borrowings	1,833.65	504.36	-	2,338.01
Trade payable	4,244.41		-	4,244.41
Lease liabilities	40.09	196.35	-	236.44
Other financial liabilities	322.14	-	-	322.14
Total	**6,440.29**	**700.71**	-	**7,141.00**
March 31, 2023				
Borrowings	2,648.43	956.37	-	3,604.80
Trade payable	5,038.54	-	-	5,038.54
Lease liabilities	36.44	226.95	-	263.39
Other financial liabilities	251.04	6.57	-	257.61
Total	**7,974.45**	**1,189.89**	-	**9,164.34**

C) Market risk

Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US Dollar and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group. Considering that the sales and purchases are made in foreign currency, the Group's exposure to foreign currency at each reporting date is disclosed herein.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, which have not been hedged by a derivative instrument, is as follows:

Particulars		As at December 31, 2023	As at March 31, 2023
Financial liabilities			
Payable on imports			
	USD	1,267,270	1,455,180
	INR in lacs	1,054.24	1,194.85
Financial assets			
Receivables on export			
	USD	440,277	164,635
	INR in lacs	366.27	135.18
	Euro	165,243	116,233
	INR in lacs	151.74	103.76

Sensitivity

The sensitivity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments, assuming no change in other variables.

Particulars	As at December 31, 2023	As at March 31, 2023
USD sensitivity		
INR/USD- increase by 200 basis points (200 bps)	(13.75)	(21.19)
INR/USD- decrease by 200 basis points (200 bps)	13.75	21.19
Euro sensitivity		
INR/Euro- increase by 200 basis points (200 bps)	3.03	2.08
INR/Euro- decrease by 200 basis points (200 bps)	(3.03)	(2.08)

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XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

Interest rate risk
Liabilities
The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At December 31, 2023, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group's investments in Fixed Deposits bear fixed interest rates.

Interest rate risk exposure
The Group's overall exposure to interest rate risk is as under:

Particulars	As at December 31, 2023	As at March 31, 2023
Variable rate borrowings	2,338.01	3,604.80
Total borrowings	**2,338.01**	**3,604.80**

Sensitivity
The sensitivity of profit or loss before tax to interest rate is:

Interest sensitivity*		
Interest rates – increase by 100 basis points (100 bps)	23.38	36.05
Interest rates – decrease by 100 basis points (100 bps)	(23.38)	(36.05)

Assets
The Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rate.

Capital management policies and procedures
For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders.

The Company' s capital management objectives are
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	As at December 31, 2023	As at March 31, 2023
Long-term borrowings	504.36	956.37
Current maturities of long-term borrowings	605.81	606.92
Short-term borrowings	1,227.84	2,041.51
Total borrowings	**2,338.01**	**3,604.80**
Less:		
Cash and cash equivalents	13.85	15.16
Bank balance other than cash and cash equivalents	12,858.65	3,001.11
Net debt	**(10,534.49)**	**588.53**
Total equity*	35,464.99	23,355.71
Net debt to equity ratio	**-29.70%**	**2.52%**

* *Equity includes equity share capital and other equity of the Group that are managed as capital.*

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XPRO INDIA LIMITED

43 Leases

a) The Group has adopted Ind AS 116 –'Lease' from April 1, 2019, which resulted in changes in accounting policies in the unaudited condensed interim consolidated financial statements.

b) **Practical expedients applied**
The Group has used the practical expedients permitted by the standard:
-applying a single discount rate to a portfolio of leases with reasonably similar characteristics
-accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2019 as short-term leases.

c) The weighted average lessee's incremental borrowing rate applied for the lease liabilities is 11.25%.

d) Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Group is prohibited from selling or pledging the underlying leased assets as security. For lease over office building the Group must keep the property in a good condition of repair and return the property in the original condition at the end of the lease.

e) The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognized in the consolidated balance sheet:

Right-of-use assets	No of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term(years)
Building	2	3 - 5	4.00
Land	3	69 - 82	76.00

There are no leases entered by the Group which have any extension, termination or purchase options and the payment of lease rentals is not based on variable payments which are linked to an index.

f) Amounts recognized in unaudited condensed interim consolidated balance sheet and unaudited condensed interim consolidated statement of profit and loss:

The balance sheet shows the following amounts relating to leases:

Particulars	**Category of right-of-use assets**		
	Land	**Buildings**	**Total**
Balance as at April 1, 2022	711.17	170.05	881.22
Add: Additions during the year	-	73.63	73.63
Less: Amortisation on right-of-use assets	8.89	35.87	44.76
Balance as at March 31, 2023	702.28	207.81	910.09
Add: Additions during the period	-	-	-
Less: Amortisation on right-of-use assets	6.67	32.26	38.93
Balance as at December 31, 2023	695.61	175.55	871.16

Particulars	**Movement in lease liabilities**		
	Land	**Buildings**	**Total**
Balance as at April 1, 2022	-	217.82	217.82
Add: Additions during the year	-	73.44	73.44
Add: Interest expense	-	27.36	27.36
Less: Lease rental paid		55.23	55.23
Balance as at March 31, 2023	-	263.39	263.39
Add: Interest expense	-	21.23	21.23
Less: Lease rental paid	-	48.18	48.18
Balance as at December 31, 2023	-	236.44	236.44

g) **Amount recognised in Unaudited Condensed Interim Consolidated Statement of Profit and Loss:**

Particulars	**April 01, 2023 to December 31, 2023**	**April 01, 2022 to December 31, 2022**
i) Amorisation of right-of-use assets (classified under Depreciation and amortisation expense)	38.93	31.72
ii) Interest on lease liabilities (classified under Finance costs)	21.23	19.80
iii) Expenses related to short term leases (classified under Other expenses)	6.81	22.88

h) The total cash outflow for leases for the period ended December 31, 2023 was INR 48.18 lacs (December 31, 2022: INR 39.18 lacs)

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XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

i) Lease liabilities included in consolidated balance sheet:

Particulars	**As at December 31, 2023**	**As at March 31, 2023**
Current	40.09	36.44
Non-current	196.35	226.95

j) Future minimum lease payments are as follows:

As on December 31, 2023

Minimum lease payments due	Lease payments	Finance charges	Net present values
Within 1 year	64.68	(24.59)	40.09
1 - 2 years	72.97	(19.48)	53.49
2 - 3 years	75.77	(12.92)	62.85
3 - 4 years	71.81	(5.42)	66.39
4 - 5 years	13.87	(0.25)	13.62
Total	**299.10**	**(62.66)**	**236.44**

As on March 31, 2023

Minimum lease payments due	Lease payments	Finance charges	Net present values
Within 1 year	64.23	(27.79)	36.44
1 - 2 years	65.13	(23.45)	41.68
2 - 3 years	75.28	(17.95)	57.33
3 - 4 years	76.27	(11.13)	65.14
4 - 5 years	66.37	(3.57)	62.80
Total	**347.28**	**(83.89)**	**263.39**

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XPRO INDIA LIMITED

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(All amounts in INR lacs, unless otherwise stated)

44 Revenue related disclosures (in accordance with Ind AS 115)

A Disaggregation of revenue

Revenue recognized mainly comprises of sale of (i) Coextruded sheets, cast films and liners and (ii) Biaxially oriented films. The disaggregation of the Group's revenue from contract with customers is set out below:

Particulars	April 01, 2023 to December 31, 2023	April 01, 2022 to December 31, 2022
Revenue from contracts with customers		
(i) Sale of products:		
(a) Coextruded sheets, cast films and liners	22,491.61	26,640.31
(b) Biaxially oriented films	10,932.26	11,179.90
(ii) Other operating income	276.27	849.42
Total revenue covered under Ind AS 115	**33,700.14**	**38,669.63**

B Contract balances

Information about contract liabilities and receivables from contract with customers:

	As at December 31 2023	As at March 31, 2023
Contract liabilities		
Advance received from consumers	13.30	13.52
Total contract liabilities	**13.30**	**13.52**
Receivables		
Trade receivables	4,080.02	5,098.39
Total receivables	**4,080.02**	**5,098.39**

C Significant changes in the contract liabilities balances during the period/ year:

	As at December 31, 2023	As at March 31, 2023
Contract liabilities - Revenue received in advance		
Opening balance	13.52	113.94
Addition during the period/ year	13.30	13.52
Revenue recognised during the period/ year	(13.52)	(113.94)
Closing balance	13.30	13.52

D. Refer Note No.40 for disclosure regarding three external customers each accounting for over ten percent of the revenue.

E. Contract asset is the right to consideration in exchange for goods or services transferred to the customer.

Contract liabilities are on account of the advance payment received from customers for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. The Group does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. Further, there are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

Payment terms with customers vary depending upon the contractual terms of each contract and generally falls within 120 days from the completion of performance obligation.

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45 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified. The Group will consider the impact in the period in which, the Code becomes effective along with the related rules.

46 The management decided, during the year ended March 31, 2019, to sell or otherwise dispose non-core asset being Biax Division Unit 1, located at Barjora, Dist. Bankura, West Bengal, and subsequently obtained necessary shareholder approval. Accordingly, in terms of Ind AS 105 Non-current assets held for sale and discontinuing operations, the property, plant and equipment situated at Unit 1 Barjora were presented as 'Assets held for sale' separately from other assets in the balance sheet. The sale/business transfer was completed on October 20, 2022 at a consideration of INR 6.78 lacs for fixed assets. Accounting for the transaction resulted in an increase of other income by INR 85.75 lacs during the period ended December 31, 2022.

47 Dividend of INR 2 (Rupees Two only) per equity share of face value INR 10 each for the financial year ended March 31, 2023, was approved by shareholders at Annual General Meeting held August 10, 2023 and was paid on August 22, 2023.

48 Subsequent events after the reporting period

a) The Shareholders of the Holding Company through special resolution passed at the Extraordinary General Meeting held on January 16, 2024 have approved the raising of capital through a Qualified Institutions Placement for an aggregate amount not exceeding INR 150 Crores (Rupees One Hundred Fifty Crore only) by the issue of equity shares of face value of Rs. 10 each in accordance with relevant regulatory provisions and applicable laws.

b) Pursuant to the special resolution passed at the Extraordinary General Meeting held on January 16, 2024, and relevant regulatory provisions, the Holding Company has issued and allotted on January 29, 2024 by way of preferential allotment 14,35,750 warrants at a price of INR 975 each, each warrant carrying a right upon being fully paid up within a period of 18 months from date of allotment to subscribe to one equity share of face value INR 10 of the Holding Company (including premium of INR 965 each). (Allotment money - INR 4899.50 lakhs, being 35% of the total consideration was received in January 2024.

There were no other significant adjusting events that occurred subsequent to the reporting period other than those disclosed in these financial statements.

49 The Unaudited Condensed Interim Consolidated Financial Statements were approved for issue by the Board of Directors on February 26, 2024.

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Ashish Gera
Partner
Membership No.: 508685

Place: New Delhi
Date: February 26, 2024

For and on behalf of the Board of Directors

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director and Chief Executive officer
(DIN: 00003343)

V.K. Agarwal
President Finance) and Chief Financial officer

Kamal Kishor Sewoda
Company Secretary

Place: New Delhi
Date: February 26, 2024

Place: New Delhi
Date: February 26, 2024

Walker Chandiok &Co LLP

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Outer Circle,
New Delhi - 110 001
India
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Independent Auditor's Review Report on Unaudited Special Purpose Interim Consolidated Financial Statements of the Xpro India Limited for the nine month period ended 31 December 2022

To the Board of Directors of Xpro India Limited

Introduction

1. We have reviewed the accompanying unaudited special purpose interim consolidated financial statements of Xpro India Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiary included in the unaudited special purpose interim consolidated financial statements), which comprise the Unaudited Special Purpose Interim Consolidated Balance Sheet as at 31 December 2022, the Unaudited Special Purpose Interim Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Unaudited Special Purpose Interim Consolidated Cash Flow Statement and the Unaudited Special Purpose Interim Consolidated Statement of Changes in Equity for the nine month period then ended, and a summary of the material accounting policies and other explanatory information (together hereinafter referred to as the "Unaudited Special Purpose Interim Consolidated Financial Statements"). The Company's management is responsible for the preparation and presentation of these Unaudited Special Purpose Interim Consolidated Financial Statements in accordance with the basis of preparation stated in Note 2 to the accompanying Unaudited Special Purpose Interim Consolidated Financial Statements which has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Unaudited Special Purpose Interim Consolidated Financial Statements based on our review.

Scope of Review

2. We conducted our review of the Unaudited Special Purpose Interim Consolidated Financial Statements in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act 2013 (the "Act") and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

Independent Auditor's Review Report on Unaudited Special Purpose Interim Consolidated Financial Statements of the Xpro India Limited for the nine month period ended 31 December 2022 (Cont'd)

Conclusion

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Unaudited Special Purpose Interim Consolidated Financial Statements are not prepared, in all material aspects, in accordance with the basis of preparation described in Note 2 to the Unaudited Special Purpose Interim Consolidated Financial Statements.

Emphasis of matter- Basis of Preparation and Restriction on Distribution or Use

4. Without modifying our conclusion, we draw attention to Note 2 to the accompanying Unaudited Special Purpose Interim Consolidated Financial Statements, which describes the basis of its preparation. The Unaudited Special Purpose Interim Consolidated Financial Statements has been prepared by the Holding Company's Management for the purpose of providing comparatives for the preparation of Unaudited Condensed Interim Consolidated Financial Statements of the Holding Company for the nine month period ended 31 December 2023, and for the purpose of including in the Holding Company's Preliminary Placement Document/Placement Document for the proposed offering of equity shares by the Holding Company as approved by the Board of Directors on 19 December 2023 through Qualified Institutional Placement and therefore, it may not be suitable for other purpose. This review report is issued solely for the aforementioned purpose, and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this review report is shown or into whose hands it may come without our prior consent in writing.

Other Matter

5. The Unaudited Special Purpose Interim Consolidated Financial Statements includes the interim financial information of one subsidiary, which have not been reviewed by their auditors, whose interim financial information reflect total assets of ₹ 5.05 lacs as at 31 December 2022, and total revenues of ₹ NIL lacs, net loss after tax of ₹ 0.68 lacs, total comprehensive income of 0.68 lacs for the nine month period ended 31 December 2022, cash flow (net) of ₹ 0.34 lacs for the nine month period ended 31 December 2023, as considered in the Unaudited Special Purpose Interim Consolidated Financial Statements and have been furnished to us by the Holding Company's management. Our conclusion on the Unaudited Special Purpose Interim Consolidated Financial Statements Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary are based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, this interim financial information is not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors of the Holding Company.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Independent Auditor's Review Report on Unaudited Special Purpose Interim Consolidated Financial Statements of the Xpro India Limited for the nine month period ended 31 December 2022 (Cont'd)

6. The Holding Company had prepared separate set of consolidated financial information for the quarter and nine month period ended 31 December 2022 in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), on which we had issued review report dated 06 February 2023 to the Board of Directors of the Holding Company wherein we had expressed an unmodified conclusion.
Our conclusion is not modified in respect of this matter.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Ashish Gera

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

Ashish Gera
Partner
Membership No.: 508685

UDIN: 24508685BKEUCY5829

Place: New Delhi
Date: 26 February 2023

Independent Auditor's Review Report on Unaudited Special Purpose Interim Consolidated Financial Statements of the Xpro India Limited for the nine month period ended 31 December 2022 (Cont'd)

Annexure 1

List of entities included in the Unaudited Special Purpose Interim Consolidated Financial Statements

Name of Holding Company

a. Xpro India Limited

Name of Subsidiary Company

b. Xpro Global Limited

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

Xpro India Limited
Unaudited Special Purpose Interim Consolidated Balance Sheet as at 31 December 2022
(All amounts in INR lacs, unless otherwise stated)

	Note No.	As at December 31, 2022
ASSETS		
Non-current assets		
(a) Property, plant and equipment	5	15,124.79
(b) Right-of-use assets	43	922.94
(c) Capital work-in-progress	5	327.40
(d) Other intangible assets	6	-
(e) Financial assets		
(i) Investments	7	477.13
(ii) Loans	8	42.56
(iii) Other financial assets	9	345.59
(f) Deferred tax assets (net)	24	172.44
(f) Non-current tax assets (net)	10	109.96
(g) Other non-current assets	11	385.47
Total non-current assets		**17,908.28**
Current assets		
(a) Inventories	12	4,954.74
(b) Financial assets		
(i) Trade receivables	13	4,193.79
(ii) Cash and cash equivalents	14	20.10
(iii) Bank balances other than (ii) above	15	3,066.88
(iv) Loans	16	11.67
(v) Other financial assets	17	26.87
(c) Other current assets	18	186.01
Total current assets		**12,460.06**
TOTAL ASSETS		**30,368.34**
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	19	1,772.02
(b) Other equity	20	19,279.77
Total equity		**21,051.79**
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	21	1,488.64
(ii) Lease liabilities	43	236.45
(iii) Other financial liabilities	22	6.57
(b) Provisions	23	113.91
Total non-current liabilities		**1,845.57**
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	25	2,199.88
(ii) Lease liabilities	43	35.43
(iii) Trade payables	26	
- total outstanding dues of micro enterprises and small enterprises		46.40
- total outstanding dues of creditors other than micro enterprises and small enterprises		4,648.05
(iv) Other financial liabilities	27	306.45
(b) Other current liabilities	28	234.77
Total current liabilities		**7,470.98**
Total liabilities		**9,316.55**
TOTAL EQUITY AND LIABILITIES		**30,368.34**

The accompanying notes are an integral part of the Unaudited Special Purpose Interim Consolidated Financial Statements.

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

Ashish Gera
Partner
Membership No.: 508685

Place: New Delhi
Date: February 26, 2024

For and on behalf of the Board of Directors

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director and Chief Executive officer
(DIN: 00003343)

V.K. Agarwal
President(Finance) and Chief Financial officer

Kamal Kishor Sewoda
Company Secretary

Place: New Delhi
Date: February 26, 2024

XPRO INDIA LIMITED ★

Place: New Delhi
Date: February 26, 2024

Xpro India Limited

Unaudited Special Purpose Interim Consolidated Statement of Profit and Loss for nine month period starting from April 01, 2022 and ended on December 31, 2022

(All amounts in INR lacs, unless otherwise stated)

	Note No.	April 01, 2022 to December 31, 2022
Income		
Revenue from operations	29	38,669.63
Other income	30	321.18
Total income		**38,990.81**
Expenses		
Cost of materials consumed	31	26,592.55
Changes in inventories of finished products and work-in-progress	32	30.44
Employee benefits expense	33	2,245.84
Finance costs	34	560.90
Depreciation and amortisation expense	35	877.81
Other expenses	36	4,283.51
Total expenses		**34,591.05**
Profit before tax		**4,399.76**
Tax expense:	24	
Current tax		-
Deferred tax expense		290.21
Tax adjustment for earlier period		(0.03)
Total tax expense		**290.18**
Profit for the period		**4,109.58**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans		(11.55)
Income tax relating to items that will not be reclassified to profit or loss		2.91
Items that will be reclassified to profit or loss		
Change in fair value of tax free bonds		(20.74)
Income tax relating to items that will be reclassified to profit or loss		5.22
Other comprehensive income for the period, net of tax		**(24.16)**
Total comprehensive income for the period (comprising profit after tax and other comprehensive income for the period)		**4,085.42**
Profit for the period attributable to		
Owners of the Company		4,109.58
Non-controlling interest		-
Other comprehensive income for the period attributable to		
Owners of the Company		(24.16)
Non-controlling interest		-
Total comprehensive income for the period attributable to		
Owners of the Company		4,085.42
Non-controlling interest		-
Earnings per equity share for the period (of INR 10/- each)		
Basic	37	23.19
Diluted		21.96

The accompanying notes are an integral part of the Unaudited Special Purpose Interim Consolidated Financial Statements.

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Ashish Gera
Partner
Membership No.: 508685

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS

Place: New Delhi
Date: February 26, 2024

For and on behalf of the Board of Directors

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director and Chief Executive officer
(DIN: 00003343)

V.K. Agarwal
President(Finance) and Chief Financial officer

Kamal Kishor Sewoda
Company Secretary

Place: New Delhi
Date: February 26, 2024

XPRO INDIA LIMITED ★

Place: New Delhi
Date: February 26, 2024

Xpro India Limited
Unaudited Special Purpose Interim Consolidated Statement of Cash Flow for the nine month period starting from April 01, 2022 and ended on December 31, 2022
(All amounts in INR lacs, unless otherwise stated)

		April 01, 2022 to December 31, 2022
A	**Cash flow from operating activities**	
	Net profit before tax	4,399.76
	Adjustments for:	
	Depreciation and amortisation (net)	877.81
	Foreign currency translations (net)	(18.82)
	Interest income	(120.12)
	Finance costs	560.90
	Profit on sale of property, plant and equipment including assets held for sale	(76.51)
	Dividend income	(0.08)
	Operating profit before working capital changes	**5,622.94**
	Movement in financial assets	(23.18)
	Movement in trade receivables	2,460.63
	Movement in other assets	167.52
	Movement in inventory	(390.51)
	Movement in financial liabilities	(1,034.14)
	Movement in other liabilities	(119.19)
	Movement in provisions	(119.44)
	Net cash flow generated from operations (gross)	**6,564.63**
	Income-tax paid (net)	146.13
	Net cash flow generated from operating activities (A)	**6,710.76**
B	**Cash flow from investing activities**	
	Purchase of property, plant and equipment and intangible assets (including adjustment on account of capital work-in-progress, capital advances and capital creditors)	(283.29)
	Proceeds from sale of property, plant and equipment	0.58
	Dividend received	0.08
	Interest received	105.18
	Investment in fixed deposits	(2,485.89)
	Net cash flow generated used in investing activities (B)	**(2,663.34)**
C	**Cash flows from financing activities**	
	Dividend paid	(232.58)
	Principal payment of lease liabilities	(19.38)
	Interest payment of lease liabilities	(19.80)
	Repayment from long-term borrowings	(4,882.29)
	Repayment of short-term borrowings (net)	(200.10)
	Interest paid/finance cost	(544.36)
	Net cash flow used in financing activities (C)	**(5,898.51)**
	Net decrease in cash and cash equivalents (A+B+C)	(1,851.09)
	Cash and cash equivalents at the beginning of the period	1,871.19
	Cash and cash equivalents at the end of the period	**20.10**
	Components of cash and cash equivalents (refer note 14):	
	Balances with scheduled banks :	
	In current accounts	17.47
	Cash on hand	2.63
		20.10

Note:
The Unaudited Special Purpose Interim Consolidated Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Ind AS 7 "Cash flow Statements".

The accompanying notes are an integral part of the Unaudited Special Purpose Interim Consolidated Financial Statements.

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Ashish Gera
Partner
Membership No : 508685

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

Place: New Delhi
Date: February 26, 2024

For and on behalf of the Board of Directors

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director and
Chief Executive officer
(DIN: 00003343)

V.K. Agarwal
President(Finance) and Chief
Financial officer

Kamal Kishor Sewoda
Company Secretary

Place: New Delhi
Date: February 26, 2024

Place: New Delhi
Date: February 26, 2024

XPRO INDIA LIMITED ★

Xpro India Limited

Unaudited Special Purpose Interim Consolidated Statement of Changes in Equity for the nine month period starting from April 01, 2022 and ended on December 31, 2022

(All amounts in INR lacs, unless otherwise stated)

A) Equity share capital

	As at December 31, 2022	
	Number	**Amount**
Balance at the beginning of the reporting period	11,813,500	1,181.35
Add: Bonus shares issued during the period (refer note 20)	5,906,744	590.67
Balance at the end of the reporting period	**17,720,244**	**1,772.02**

B) Other equity

	Reserves and surplus						
	Capital subsidy reserve	**Securities Premium**	**General reserve**	**Retained earnings**	**Financial assets through OCI**	**Money received against share warrant**	**Total**
Balance as at April 1, 2022	60.50	406.58	6,750.00	5,068.29	(13.12)	3,749.04	16,021.29
Additions:							
Profit for the period	-	-	-	4,109.58	-	-	4,109.58
Other comprehensive income (net of tax)	-	-	-	(8.64)	(15.52)	-	(24.16)
Payment of Dividend	-	-	-	(236.27)	-	-	(236.27)
Issue of Bonus Shares	-	(406.58)	(184.09)	-	-	-	(590.67)
Balance as at December 31, 2022	**60.50**	**-**	**6,565.91**	**8,932.96**	**(28.64)**	**3,749.04**	**19,279.77**

The accompanying notes are an integral part of the Unaudited Special Purpose Interim Consolidated Financial Statements.

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Ashish Gera
Partner
Membership No.: 508685

Place: New Delhi
Date: February 26, 2024

For and on behalf of the Board of Directors

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director and Chief Executive officer
(DIN: 00003343)

V.K. Agarwal
President(Finance) and Chief Financial officer

Kamal Kishor Sewoda
Company Secretary

Place: New Delhi
Date: February 26, 2024

Place: New Delhi
Date: February 26, 2024

1. **Group Information:**

Xpro India Limited (the 'Holding Company') is a public limited company domiciled in India with its registered office located at Barjora Mejia Road, P.O. Ghutgoria, Tehsil: Barjora, Dist.: Bankura 722 202, West Bengal. Incorporated on November 26, 1997 as "Biax Films Limited" under the Companies Act, 1956, the present name was adopted w.e.f. September 22, 1998. Equity shares of the Holding Company are listed on the National Stock Exchange (NSE) and are admitted for trading on the Bombay Stock Exchange (BSE). Organised into operating divisions for operational convenience, the Holding Company is engaged mainly in the business of Polymers Processing at multiple locations and is the leading manufacturer in India of Coextruded Plastic Sheets, Thermoformed Liners and Speciality Films (including Dielectric Films and special purpose BOPP Films).

These Unaudited Special Purpose Interim Consolidated Financial Statements comprise the standalone financial statements of the Holding Company and its subsidiary (collectively referred to as 'the Group') for the nine month period ended December 31, 2022

Name of Subsidiary	% Shareholding	Principal Activity	Country of Incorporation
Xpro Global Limited	100 *	General Trade	India

The Group is engaged mainly in the business of Polymers Processing; the transactions of the subsidiary are insignificant.

(* 100% shareholding for the period ended December 31, 2022);

2. **Basis for Preparation:**

The Unaudited Special Purpose Interim Consolidated Financial Statements of Xpro India Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') consisting of the Unaudited Special Purpose Interim Consolidated Balance Sheet as at 31 December 2023, the Unaudited Special Purpose Interim Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Unaudited Special Purpose Interim Consolidated Cash Flow Statement and the Unaudited Special Purpose Interim Consolidated Statement of Changes in Equity for the nine month period then ended, and a summary of the significant accounting policies and other explanatory information, has been prepared in accordance with the recognition and measurement principles of the Indian Accounting Standards ('Ind AS') 34, 'Interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other generally accepted accounting principles in India.

However, Holding Company has not met all the presentation and disclosure requirements otherwise required under the applicable financial reporting framework, hence, comparative information has not been provided in these Unaudited Special Purpose Interim Consolidated Financial Statements. The Unaudited Special Purpose Interim Consolidated Financial Statements has been prepared by the Holding Company's Management for the purpose of providing comparatives for the preparation of Unaudited Special Purpose Condensed Interim Consolidated Financial Statements of the Holding Company for the nine months period ended 31 December 2023 and for the purpose of including in the Holding Company's Preliminary Placement Document/Placement Document for the purpose of proposed offering of equity shares by the Holding Company as approved by the Board of Directors on 19 December 2023 through Qualified Institutional Placement and therefore, such Unaudited Special Purpose Interim Consolidated Statements may not be suitable for any other purpose.

Principles of Consolidation

a. The Unaudited Special Purpose Interim Consolidated Financial Statements (hereinafter referred to as 'the consolidated financial statements') relate to Xpro India Limited ('the Company') and its subsidiary company. The consolidated financial statements have been prepared on the following basis:

i) The standalone financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book value of like terms of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and resulting unrealized profits or losses in accordance with Ind AS 110 - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

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XPRO INDIA LIMITED

ii) The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's Standalone Financial Statements.

b. Statement of compliance with Indian Accounting Standards (Ind AS)

These consolidated financial statements comply in all material aspects with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act, as amended.

c. Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis except for (a) certain financial instruments that are measured at fair values at the end of each reporting period and (b) net defined benefit assets/liability measured at fair value of planned assets less present value of defined benefit obligations. The methods used to measure fair values are discussed further in notes to consolidated financial statements.

d. Functional and presentation currency

The consolidated financial statements of the Group are presented in Indian Rupees (INR), which is also its functional currency. All financial amounts disclosed in the consolidated financial statements and notes have been rounded to the nearest lac (upto two decimals), unless stated otherwise.

e. Current and non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/non-current classification.

An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle;
ii) Held primarily for the purpose of trading;
iii) Expected to be realised within twelve months after the reporting period; or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

i) It is expected to be settled in normal operating cycle;
ii) It is held primarily for the purpose of trading;
iii) It is due to be settled within twelve months after the reporting period;
iv) There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as twelve months for the purpose of classification of assets and liabilities as current and non-current.

f. Fair Value Measurements

The Group measures financial instruments at fair value which is the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction takes place either in the principal market for the asset or liability or in the absence of a principal market in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement 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 directly or indirectly observable for the asset or liability;
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. The Group recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 4(r) - Financial Instruments.

Overall Considerations

The consolidated financial statements have been prepared on going concern basis using the significant accounting policies and measurement basis summarized below.

These accounting policies have been used throughout all periods presented in the consolidated financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

4. <u>Material accounting policies</u>:

A summary of the material accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the consolidated financial statements.

a. Property, plant and equipment

Property, plant and equipment and capital work-in-progress are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Cost comprises the purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, borrowing costs if capitalisation criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if a) it is probable that future economic benefits associated with the item will flow to the entity; and b) the cost of the item can be measured reliably.

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Consolidated Statement of Profit and Loss for the period during which such expenses are incurred. Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as a part of indirect construction cost to the extent the expenditure is related to construction or is incidental thereto. Other indirect costs

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XPRO INDIA LIMITED

incurred during-the construction periods which are not related to construction activity nor are incidental thereto are charged to the Consolidated Statement of Profit and Loss.

Value for individual assets acquired for a consolidated price, the consideration is apportioned to the various assets on a fair value basis as determined by competent valuers.

The Group has technically evaluated all the property, plant and equipment for determining the separate identifiable assets having different useful lives under the component approach. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on property, plant and equipment is provided on a straight line method computed on the basis of Companies Act, 2013, on pro-rata basis from the date the asset is ready to put to use.

Leasehold improvements are amortised over the lease period.

Depreciation on property, plant and equipment which are added/disposed off during the year is provided on pro-rata basis with reference to the date of addition/deletion. An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is de-recognised.

Property, plant and equipment is derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in the consolidated statement of profit and loss.

b. Other intangible assets

Intangible assets that are acquired by the Group, having finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

An intangible asset is derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognised in the consolidated statement of profit and loss.

Intangible assets with finite useful life are assessed for impairment whenever there is an indication that the intangible assets may be impaired. Amortisation of intangible assets such as software is computed on a straight-line basis, at rates representing estimated useful life of five years. Technical know-how fees are amortised over the life of the plant from the date of commencement of commercial production using such know-how. Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

c. Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, 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 capitalized, if any. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised as an expense in the year in which they are incurred.

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XPRO INDIA LIMITED *

d. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generate cash inflows that are largely independent of the cash inflows of the other assets or CGUs. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU"). To determine impairment of the Group's corporate assets which do not generate independent cash inflows, recoverable amount is determined for the CGUs to which the corporate assets belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of profit or loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to CGU, and then to reduce the carrying amounts of any other assets of the CGUs or group of CGUs on a pro-rata basis.

e. Assets held for sale

The Group classifies asset as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale, if the Management expects to complete the sale within one year from the date of classification.

Assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell.

f. Inventories

Inventories are valued at the lower of the cost and net realisable value after providing for obsolescence and other losses wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition and is determined on weighted average basis. Work-in-progress includes raw material cost, plus conversion cost depending upon stage of completion. The cost of purchase consists of the purchase price including duties and taxes other than those subsequently recoverable by the enterprise from the taxing authorities, freight inwards and other expenditure directly attributable for its acquisition. Stock in Transit is valued at lower of cost and net realisable value. Scrap is valued at estimated net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

g. Provisions, Contingent Liabilities, Contingent assets and Commitments

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. If the effect of the time value of money is material, 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that

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PRO INDIA LIMITED

reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are neither recogn
ised nor disclosed in the consolidated financial statements.

h. Government grants

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and ultimate collection of the grant/subsidy is reasonably certain. Grants that compensate the Group for expenses incurred are recognised in consolidated profit or loss as other operating revenues on a systematic basis in the periods in which such expenses are recognised.

i. Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

j. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

k. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date the transaction first qualifies for recognition. Foreign currency monetary items are reported using the closing rate. 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.

Exchange differences arising on the settlement of short-term monetary items or on restatement of the Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous consolidated financial statements, are recognised as income or as expenses in the year in which they arise. Exchange differences pertaining to long-term foreign currency monetary items used for acquisition of depreciable property, plant and equipment are added to the cost of property, plant and equipment and depreciated over the remaining life of the respective property, plant and equipment.

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks in respect of its imports and exports. 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. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognised in consolidated statement of profit and loss.

l. Revenue recognition

Sale of Goods: Revenue from sale of products are recognised at a point of time when control of products is transferred i.e. on dispatch of goods and are accounted for net of returns, trade discounts, volume rebates and freight outward. Revenue is exclusive of goods and services tax.

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The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). No element of financing is deemed present as the sales are largely made with credit term of not more one year.

The transaction price is allocated by the Group to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

Sale of Services: Revenue from job work services and management consultancy services are recognized based on the services rendered in accordance with the terms of contracts.

Dividend Income: Dividend Income is recognized when the Group's right to receive is established which generally occurs when the shareholders approve the dividend.

Interest Income: Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

m. Employee Benefits

Employee benefits include provident fund, Superannuation Fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined contribution plans: The Group's contribution to Provident Fund, Superannuation Fund and employees state insurance scheme are considered as defined contribution plans and are charged as an expense based on the pre-determined amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans: For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuation being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur.

Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognizes the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss: (i) Service costs comprising current service costs, gains and losses on curtailments and settlements; and (ii) Net interest expense or income.

The retirement benefit obligation recognized in the consolidated balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Retirement benefit in the form of provident fund is a defined benefit scheme. The Group contributes its portion of contribution to Xpro India Ltd. Employees Provident Fund Trust ('the Trust'). The Group

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has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate and accounted by the Group as provident fund cost.

Other employee benefits: Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in the actuarial assumption are recognised in the consolidated statement of profit and loss.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service.

n. Leases

The Group as a lessee: Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments: (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable; (b) variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date; (c) amounts expected to be payable under residual value guarantees, if any; (d) the exercise price of a purchase option if any, if the Group is reasonably certain to exercise that option; (e) payment for penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the consolidated statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Variable lease payments that depends on sales are recognised in the consolidated statement of profit and loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising (a) the amount of the initial measurement of lease liability; (b) any lease payments made at or before the commencement date less any lease incentives received; (c) any initial direct costs; and (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in the consolidated statement of profit and loss. Short term leases are the leases with a lease term of 12 months or less.

o. Income tax

Income tax expense comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

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Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognised in consolidated statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

p. Earnings per share

Basic earnings per share is computed by dividing the consolidated net profit or loss for the year attributable to equity shareholders of the Holding Company by the weighted average number of equity shares outstanding during the financial year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the Holding Company and the weighted average number of equity shares outstanding the year is adjusted for the effects of all dilutive potential equity shares, except where the result would be anti-dilutive.

q. Operating segment

In accordance with Ind AS 108, operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments. The business activities of the Group predominantly fall within a single reportable operating segment, i.e., Polymer Processing. The Board of Directors is the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.

r. Equity investment

Equity investments in subsidiaries are measured at cost. The investments are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, policy for impairment of financial assets is followed.

s. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial assets

Initial recognition and measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the consolidated statement of profit and loss.

Financial assets classification

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Company classifies its financial assets in the following measurement categories: Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those measured at amortised cost. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

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Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. 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 in finance income in the consolidated statement of profit and loss. The losses arising from impairment are recognised in the consolidated statement of profit and loss. This category generally applies to trade and other receivables.

Investments carried at fair value through profit and loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases. Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit and loss.

Investments carried at fair value through other comprehensive income (FVTOCI)

An investment in bond is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling the financial asset.

After initial measurement, fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals in the consolidated statement of profit and loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset.

On derecognition of financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in consolidated statement of profit and loss on disposal of that financial asset.

On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the consolidated statement of profit and loss.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

(b) Financial assets that are measured at FVTOCI e.g. investment in bonds.

(c) Trade receivables under Ind AS 115.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves and there is no longer a significant increase in credit risk since initial

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recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, borrowings and derivative financial instruments.

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or fair value through profit and loss.

Financial liabilities at amortised cost

After initial measurement, such 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 derecognised 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 in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

3. Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

t. Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Group prior to the end of financial year which are unpaid.

u. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised costs. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest rate method. Borrowing are de-recognised from the balance sheet when the obligation specified in the contact is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

v. Use of estimates and management judgements

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date

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of the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are considered to be reasonable and prudent under the circumstances.

The Group has based its assumptions and estimates on parameters available when the unaudited special purpose interim consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Group and uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Such changes are reflected in the assumptions when they occur.

The following areas have been identified where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the consolidated financial statements. Changes in estimates are accounted for prospectively.

In order to enhance understanding of the consolidated financial statements, information about areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements have been identified as under:

Significant management judgements:

1. Recoverable amount of property, plant and equipment
In assessing impairment, Group estimates the recoverable amount of each asset or cash-generating units based on expected market outlook and future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

2. Provisions and contingencies
Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group. The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

3. Recognition of deferred tax assets
The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the individual Company's future taxable income against which the deferred tax assets can be utilised.

Significant management estimates:

1. Useful life of property, plant and equipment
The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The Group reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

2. Employee benefit plans
Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

Recent Pronouncements on Indian Accounting Standards (Ind AS)

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April

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2023. However, these amendments are not expected to have any material impact on the Unaudited Special Purpose Interim Consolidated Financial Statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

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5 Property, plant and equipment and capital work-in-progress

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Computers	Equipment & Fittings	Total	Capital work-in-progress
Gross Block								
Balance as on April 1, 2022	**4,134.96**	**25,273.02**	**334.58**	**340.82**	**158.07**	**120.19**	**30,361.64**	**37.30**
Additions during the period (refer note d below)	-	24.15	1.91	6.28	10.33	2.20	44.87	294.40
Less: Disposals/ adjustments during the period	-	-	113.85	-	-	41.53	155.38	4.30
Balance as on 31 Dec 2022	**4,134.96**	**25,297.17**	**222.64**	**347.10**	**168.40**	**80.86**	**30,251.13**	**327.40**
Accumulated depreciation								
Balance as on April 1, 2022	**1,106.34**	**12,725.71**	**262.22**	**90.49**	**134.05**	**107.00**	**14,425.81**	-
Add: Depreciation during the period	99.09	693.41	12.68	28.95	6.68	5.28	846.09	-
Less: Disposals during the period	-	-	(105.79)	-	-	(39.77)	(145.56)	-
Balance as on December 31, 2022	**1,205.43**	**13,419.12**	**169.11**	**119.44**	**140.73**	**72.51**	**15,126.34**	-
Balance as on December 31, 2022	**2,929.53**	**11,878.05**	**53.53**	**227.66**	**27.67**	**8.35**	**15,124.79**	**327.40**

Note:

a) Refer Note 21 for information on property, plant and equipment pledged as security by the Holding Company;

b) Refer Note 11 for disclosure of contractual commitments for the acquisition of property, plant and equipment;

c) The Group assessed potential generation of economic benefits from its business units and is of the view that assets employed in continuing businesses are capable of generating adequate returns over their useful lives in the normal course of business; there is no indication to the contrary and accordingly the management is of the view that no impairment provision is considered in these unaudited special purpose interim consolidated financial statements;

d) Exchange differences on all long-term monetary items resulted in INR 31.63 lacs to Gross Block of plant & equipment, being the exchange difference on long term monetary items related to the acquisition of a depreciable capital asset.

6 Other intangible assets

Particulars	Computer software	Technical Knowhow	Total
Gross block			
Balance as on April 1, 2022	28.32	348.38	376.70
Additions during the year	-	-	-
Balance as on December 31, 2022	**28.32**	**348.38**	**376.70**
Accumulated amortisation			
Balance as on April 1, 2022	28.32	348.38	376.70
Add: Depreciation for the year	-	-	-
Balance as on December 31, 2022	**28.32**	**348.38**	**376.70**
Balance as on December 31, 2022	-	-	-

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7 Investments (Non-current)

	As at December 31, 2022
Investments measured at amortised cost	
Investments in bonds (quoted) (Fair value through other comprehensive income)	
Tax Free Bonds (refer details below*)	477.13
Total Investments	**477.13**
Aggregate amount of quoted investments	477.13

** Quoted Investments*

	As at December 31, 2022	
	Number of Units	**Amount**
8.66% IIFCL Tax Free Bond - 2034 (Maturity - January 1, 2034) (Face Value: INR 1,000 each)	20000	258.78
8.48% IIFCL Tax Free Bond - 2028 (Maturity - September 9, 2028) (Face Value: INR 10,00,000 each)	10	113.89
8.66% NTPC Tax Free Bond - 2033 (Maturity - December 16, 2033) (Face Value: INR 1,000 each)	3463	44.81
8.63% IRFC Tax Free Bond - 2029 (Maturity - March 26, 2029) (Face Value: INR 1,000 each)	2500	29.26
8.66% IIFCL Tax Free Bond - 2034 (Maturity - January 22, 2034) (Face Value: INR 1,000 each)	1499	18.89
8.54% PFC Tax Free Bond - 2028 (Maturity - November 16, 2028) (Face Value: INR 1,000 each)	1000	11.50
		477.13

The aggregate amount of investment in bonds at purchase price is INR 510.98 lacs (March 31, 2023: INR 510.98 lacs)

8 Loans (Non-current)
(Considered good - unsecured)

	As at December 31, 2022
Loans to employees	42.56
	42.56

Note: There are no loans due by directors or other officers of the Group either severally or jointly with any other persons or amounts due by firms or private companies in which any director is a partner or a director or a member.

9 Other non-current financial assets
(Considered good - unsecured)

	As at December 31, 2022
VAT subsidy	165.37
Security deposits	180.22
	345.59

10 Non-current income-tax assets (net)

	As at December 31, 2022
Prepaid taxes (net of provision for tax Rs. Nil)	109.96
	109.96

11 Other non-current assets
(Considered good - unsecured)

	As at December 31, 2022
Capital advances	344.21
Advances other than capital advances:	
Prepaid expenses	8.31
Balances with statutory authorities	32.95
	385.47

Note:
Capital commitments
a) Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts (net of capital advances): INR 23,412.89 lacs.
b) Unpaid portion of subscribed equity capital in subsidiary: INR 47.50 lacs (March 31, 2022: INR 47.50 lacs)

12 Inventories
(valued at lower of cost and net realisable value)

	As at December 31, 2022
Raw material	2,991.44
Work-in-progress	255.63
Finished goods	1,326.35
Stores and spares	381.25
Stock-in-trade	0.07
	4,954.74

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(All amounts in INR lacs, unless otherwise stated)

13 Trade receivables

	As at December 31, 2022
Trade receivables considered good, unsecured	4,193.79
	4,193.79

Note:
(a)There are no amounts due by directors or other officers of the Group either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member
(b) All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

14 Cash and cash equivalents

	As at December 31, 2022
Balances with banks in current accounts	17.47
Cash on hand	2.63
	20.10

15 Bank balances other than cash and cash equivalents

	As at December 31, 2022
Deposit accounts with original maturity of more than 3 months but remaining maturity of less than 12 months	2,677.09
Unpaid dividend accounts	3.69
Balances held as margin money	386.10
	3,066.88

16 Loans (currents)
(Considered good - unsecured)

	As at December 31, 2022
Loans to employees	11.67
	11.67

17 Other financial assets (Current)
(Considered good - unsecured)

	As at December 31, 2022
Security deposits	0.42
Interest accrued but not due (on tax-free bonds)	26.45
	26.87

18 Other current assets
Considered good - unsecured

	As at December 31, 2022
Advances to suppliers	64.20
Prepaid expenses	55.99
Balance with statutory authorities	41.66
Other receivables	
Loans - considered good, unsecured	24.16
	186.01

Notes:
Balance with statutory authorities represents goods and services tax (earlier service tax) paid on inputs (earlier input and services) utilised by the Group and eligible for utilisation towards discharge of goods and services tax (earlier service tax liability) in respect of services rendered by the Group. The Group expects the utilisation of outstanding balances as at each date of Unaudited Special Purpose Interim Consolidated Financial Statement within twelve months thereof.

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Xpro India Limited
Notes to the Unaudited Special Purpose Interim Consolidated financial statements for nine month period starting from April 01, 2022 and ended on December 31, 2022
(All amounts in INR lacs, unless otherwise stated)

19 Equity share capital

	As at December 31, 2022
Authorised:	
3,50,00,000 Equity shares of INR 10 each	3,500.00
Issued, subscribed and paid up:	
1,77,20,244 equity shares of INR 10 each fully paid	1,772.02
Share capital suspense	
13 equity shares of INR 10 each fully paid	*
(*rounded off to INR Nil)	
	1,772.02

a) Share Capital Suspense comprises of 12 equity shares pending to be allotted as fully paid up to some non-resident equity shareholders without payment being received in cash in terms of Regulation 7 of Notification No. FEMA 20/2000 RB of May 3, 2000 (as amended) and 1 equity share of INR 10 pending to be allotted as fully paid to a non-resident share holder by way of bonus share in terms of RBI regulations.

b) Reconciliation of number of equity shares outstanding:

	April 01, 2022 to December 31, 2022	
	Number of equity shares	Amount
At the beginning of the period	11,813,500	1,181.35
Bonus equity shares issued during the period	5,906,744	590.67
At the end of the period	17,720,244	1,772.02

c) **Terms/rights attached to equity shares**
The Holding Company has issued only one class of equity shares having a face value of INR 10 per share. All Equity Shares carry one vote per share without restrictions and are entitled to Dividend, as and when declared. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, if any, in proportion to their respective shareholding. All shares rank equally with regard to the Holding Company's residual assets.

d) Shareholders holding more than 5% shares in the Company:

	As at December 31, 2022
Name of the Shareholder(s)	
i) Intellipro Finance Private Limited	
No. of shares	2,305,000
% of shares held	13.01
ii) iPro Capital Limited	
No. of shares	2,940,000
% of shares held	16.59

e) Shareholding of Promoters:

Promoter Name	Shares held by Promoters/Promoter Group As on December 31, 2022	
	No. of Shares	% of total shares
1.Birla Eastern Limited	27,600	0.16
2.Birla Holdings Limited	249,975	1.41
3.Birla, Madhushree Smt.	150,187	0.85
4.Birla, Sidharth Kumar	152,812	0.86
5.Birla, S K	829	0.00
6.Sudarshan Kumar Birla (HUF)	234	0.00
7.Birla, Sumangala Smt.	2,290	0.01
8.Central India General Agents Limited	412,500	2.33
9.IntelliPro Finance Private Limited	3,457,500	19.51
10.iPro Capital Limited	4,409,999	24.89
Promoter/Promoter Group Total:	8,863,926	50.02

Promoters for the purpose of this disclosure means promoters as defined under section 2(69) of the Companies Act, 2013.

f) During the nine months period ended December 31, 2022, the Holding Company has issued 59,06,744 equity shares of INR 10 each as fully paid-up bonus shares in the ratio of one equity share for every two equity shares outstanding on record date of July,04 2022.
There have been no other shares which has been issued for a consideration other than cash and no shares bought back by the Holding Company during the period of 5 years immediately preceding the reporting date.

g) There are no options outstanding as at the end of the period.

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XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

20 Other equity

	Reserves and surplus						
	Capital subsidy reserve	**Securities Premium**	**General reserve**	**Retained earnings**	**Financial assets through OCI**	**Money received against share warrant**	**Total**
Balance as at April 1, 2022	**60.50**	**406.58**	**6,750.00**	**5,068.29**	**(13.12)**	**3,749.04**	**16,021.29**
Additions:							
Profit for the period	-	-	-	4,109.58	-	-	4,109.58
Other comprehensive income (net of tax)	-	-	-	(8.64)	(15.52)	-	(24.16)
Payment of dividend	-	-	-	(236.27)	-	-	(236.27)
Issue of bonus shares	-	(406.58)	(184.09)	-	-	-	(590.67)
Balance as at December 31, 2022	**60.50**	**-**	**6,565.91**	**8,932.96**	**(28.64)**	**3,749.04**	**19,279.77**

Nature and purpose of reserves

a) Capital subsidy reserve
This represents the profit earned by the Holding Company through a special transaction in the nature of a government subsidy that is not available for distributing dividend.

b) Securities premium
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

c) General reserve
General reserve is a distributable reserve created by way of transfer from time to time from profits. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

d) Retained earnings
Represents the accumulated balances of profits earned over the years after appropriation to general reserves, and adjustments for dividends or other distributions paid to shareholders.

e) Money received against warrants
Represents amount received towards preferential allotment of convertible warrants issued.

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XPRO INDIA LIMITED

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	As at December 31, 2022
21 Non current financial liabilities - Borrowings	
Indian rupee loan from banks (secured)	
Term loans (refer note a to d)	1,474.17
Vehicle loans (refer note e)	14.47
	1,488.64

a) Working Capital Term Loan from State Bank of India, under Guaranteed Emergency Credit Line 2.0 (GECL2.0) scheme, outstanding INR 8,00.08 lacs (previous year: INR 11,00.90 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 47 monthly instalments of INR 33.33 lacs each starting from January 2022 and (ii) last instalment of INR 33.49 lacs is due in December 2025 and is secured by extension of second charge over the existing primary and collateral securities including mortgages created in favour of the Consortium banks on pari-passu basis and covered under guarantee coverage from National Credit Guarantee Trustee Company Ltd (NCGTC).

b) Working Capital Term Loan from Punjab National Bank, under GECL2.0 scheme, outstanding INR 83.17 lacs, carrying interest linked to the bank's MCLR, repayable in (i) 35 monthly instalments of INR 6.38 lacs each starting from February 2022 and (ii) last instalment of INR 6.70 lacs is due in January 2025 and is secured by extension of second charge over the existing primary and collateral securities including mortgages created in favour of the Consortium banks on pari-passu basis and covered under guarantee coverage from NCGTC.

c) Working Capital Term Loan from Indian Bank, under GECL2.0 scheme, outstanding INR 2,05.20 lacs, carrying interest linked to the bank's MCLR, repayable in 48 monthly instalments of INR 8.96 lacs each starting from April 2022 is secured by extension of second charge over the existing primary and collateral securities including mortgages created in favour of the Consortium banks on pari-passu basis and covered under guarantee coverage from NCGTC.

d) The above-mentioned term loans carry interest rate between 7.9 to 12 % per annum (previous year: 7.9 to 12 %).

e) Vehicle Loan of INR 14.81 lacs carrying interest at between 7 to 7.8 % per annum repayable in 36 monthly instalment(s) commencing from date of disbursement, are secured by hypothecation of specified vehicles.

f) There has been no default in servicing of loans and interest due thereon during and as at the end of the period;

g) Term Loans from banks are further secured by pledge of 15% of promoters (Birla Holdings Limited and Ipro Capital Limited) equity shareholding in the Holding Company;

h) Interest accrued on above borrowings is INR 6.91 lacs.

22 Non-current financial liabilities - Others

	As at December 31, 2022
Security deposits	6.57
	6.57

23 Provisions

	As at December 31, 2022
Employee benefits	
Non-current	
Gratuity	113.91
	113.91

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XPRO INDIA LIMITED

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

(All amounts in INR lacs, unless otherwise stated)

24 Deferred tax assets (net)

	April 01, 2022 to December 31, 2022
A. Components of Income Tax Expense	
I. Tax expense recognised in the Unaudited Special Purpose Interim Consolidated Statement of Profit and Loss	
Current tax	-
Tax adjusted for earlier years	(0.03)
	(0.03)
Deferred tax expense	290.21
Total	290.18
II. Recognised in Other Comprehensive Income	
Tax impact on	
- Re-measurement on defined benefit plan	2.91
- Change in fair value of tax free bonds	5.22
Total	8.13
B. Reconciliation of tax expense and the accounting profit	
Profit before tax	4,399.76
Statutory income tax rate (%)	25.17
Tax expense at statutory income tax rate	1,107.42
Tax adjustment for earlier years	(0.03)
Income chargeable at lower tax rate	(13.75)
Tax expense	1,093.64
Tax impact of utilisation of brought forward losses	(1,093.67)
Current tax	(0.03)

C. Deferred tax assets/ (liabilities) (net)

	As at December 31, 2022
Deferred tax assets	
Carried forward losses/unabsorbed depreciation	1,003.33
Provision for employee benefits	28.08
Investment at fair value through OCI	5.22
Gross deferred tax assets	1,036.63
Deferred tax liability to the extent recognized	**1,036.63**
Deferred tax liability	
Fixed assets:	864.19
Impact of difference between book and tax depreciation	**864.19**
Gross deferred tax liability	
Net deferred tax asset/(liability)	172.44

Movement in Deferred tax liabilities/assets (net)

	Property, plant and equipment	Carry forward of losses	Provision for employee benefits	Investment at fair value through OCI	Net deferred tax asset/(liability)
Balance as at April 1, 2022	**(615.28)**	**1,020.98**	**48.82**	-	**454.52**
Recognised during the period in Consolidated Statement of Profit and Loss	(248.91)	(17.65)	(23.65)	-	(290.21)
Recognised during the period in Other Comprehensive Income	-	-	2.91	5.22	8.13
Balance as at December 31, 2022	**(864.19)**	**1,003.33**	**28.08**	**5.22**	**172.44**

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

25 Current financial liabilities - Borrowings

	As at December 31, 2022
Secured	
Loans repayable on demand	
Working capital loan from banks (refer note a and b below)	545.85
Current maturities of long-term borrowings (refer note 21)	1,654.03
	2,199.88

Notes:

a) Working Capital loans, repayable on demand, and bearing interest at the rate of between 8.75 to 10.75 % per annum are secured by first charge, ranking pari-passu, in favour of members of the Consortium of Banks, on all current assets of the Holding Company, present and future, and second charge, ranking pari-passu with term lender banks, on the entire fixed assets of the Holding Company, present and future, wherever situated.

b) There has been no default in servicing of loans and interest payable thereon during and as at the end of the period.

26 Current financial liabilities - Trade payables

	As at December 31, 2022
Trade payables	
Total outstanding dues of micro enterprises and small enterprises	46.40
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,979.27
Acceptances	1,668.78
	4,694.45

Notes:

a) Trade payables are non-interest bearing and are normally settled within 90 days except for payments to MSME which are settled within 45 days. Refer note 42 for information on the Group's credit risk management processes.

b) Acceptances include arrangements where operational supplies of goods and services are paid by banks on due date which are normally effected within a period of 90 days from the date of transaction.

c) Disclosures with respect to related party transactions is given in note 39.

d) Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the respective companies of the Group on the basis of the information available with the Company and the auditors have relied on the same.

27 Current financial liabilities - others

	As at December 31, 2022
Interest accrued but not due	6.75
Unpaid dividend	3.69
Employee payables	288.51
Security deposit received	7.50
	306.45

28 Other current liabilities

	As at December 31, 2022
Contract liabilities	27.43
Statutory dues payable	207.34
	234.77

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XPRO INDIA LIMITED

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

(All amounts in INR lacs, unless otherwise stated)

29 Revenue from operations

	April 01, 2022 to December 31, 2022
Sale of products	
- Finished goods	37,820.21
Other operating income	
- Scrap sale	271.62
- Export incentives and margins	69.35
- Processing charges	508.45
Total	**38,669.63**

30 Other Income

	April 01, 2022 to December 31, 2022
Interest on	
Fixed deposits	87.42
Other financial assets carried at fair value through other comprehensive income	24.85
Others	7.85
Dividend income	0.08
Other non operating income	
Foreign currency transactions (net)	32.23
Profit on sale of property, plant and equipment including assets held sale	76.51
Miscellaneous income	92.24
	321.18

31 Cost of materials consumed

	April 01, 2022 to December 31, 2022
Raw material at the beginning of the period	2,542.50
Add: Purchases during the period	27,041.49
Less: Raw material at the end of the period	(2,991.44)
Total cost of materials consumed	**26,592.55**

32 Changes in inventories of finished products and work-in-progress

	April 01, 2022 to December 31, 2022
Inventories at the beginning of the period	
- Finished goods	1,432.75
- Work-in-progress	179.67
- Stock-in-trade	0.06
	1,612.48
Inventories at the end of the period	
- Finished goods	1,326.35
- Work-in-progress	255.63
- Stock-in-trade	0.06
	1,582.04
(Increase)/ Decrease in inventory	**30.44**

33 Employee benefits expense

	April 01, 2022 to December 31, 2022
Salary, wages and bonus	1,910.51
Contribution to provident and other funds	222.53
Staff welfare expenses	112.80
	2,245.84

34 Finance costs

	April 01, 2022 to December 31, 2022
Interest expense on borrowings measured at amortised cost	449.32
Interest on lease liability (refer note 43)	19.80
Other borrowing cost	91.78
	560.90

35 Depreciation and amortisation expense

	April 01, 2022 to December 31, 2022
Depreciation on tangible assets	846.09
Amortisation on right-of-use assets (refer note 43)	31.72
	877.81

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XPRO INDIA LIMITED

36 Other expenses

	April 01, 2022 to December 31, 2022
Consumption of stores and spares	714.18
Processing charges	26.17
Power and fuel	2,289.09
Rent (refer note 43)	22.88
Repairs to:	
- Building	24.13
- Plant and machinery	164.49
- Others	28.92
Communication	16.15
Director's fees	19.11
Insurance	117.45
Legal and professional	80.53
Rates and taxes	38.31
Security expenses	57.78
Travelling and conveyance	157.23
Rebates and commission	156.89
Payment to auditors	23.09
Other selling expenses	14.36
Corporate Social Responsibility	15.00
Miscellaneous expenses	317.75
	4,283.51

37 Earnings per share

		April 01, 2022 to December 31, 2022
a)	Profit for the period attributable to equity shareholders (A)	4,109.58
b)	Number of equity shares outstanding at the beginning of the period	11,813,500
	Add:- Bonus shares issued during the period	5,906,744
	Weighted average number of equity shares outstanding during the period for computation of Basic EPS (B)	17,720,244
	Add:- Impact of Convertible warrants	992,651
	Weighted average number of equity shares outstanding during the period for computation of Diluted EPS (C)	18,712,895
	Nominal value per share (INR)	10.00
c)	Basic earnings per equity share (face value of share- Rs 10 each) (A/B) (INR)	23.19
d)	Diluted earnings per equity share (face value of share- Rs 10 each) (A/C) (INR)	21.96

38 Contingent liabilities, contingent assets and commitments

A Contingent Liabilities and other commitments

		As at December 31, 2022
i)	Claims against the Group not acknowledged as debts	2.50
ii)	Sales tax, Excise and Customs matters	389.24
iii)	Estimated Liability towards lenders for Right to Recompense for term loans taken in earlier years (Refer note 1)	200.00
iv)	Others *(claims not acknowledged as debt)* (Refer note 2)	115.58

Note 1: The Company based on discussion with lenders believes that no liability will arise on account of this matter.

Note 2: During the period, West Bengal Electricity Regulatory Commission (WBERC) fixed the power tariff of Damodar Valley Corporation (DVC) for 2017-18 & onwards following which DVC raised a retrospective demand of INR 315.60 lacs on one of the units of the Company. While the demand has been challenged, the Company has made provision of Rs. 231.83 for the demand in the books of accounts as on December 31, 2022. The Company has made payment amounting to Rs. 4.87 lacs in nine month period ending December 2022 to WBERC.

Note 3 : The Hon'ble Supreme Court had in its judgement in February 2019 opined on the applicability of allowances that should be considered as forming part of basic wages for computing provident fund contribution. Management believes that there are interpretative challenges in the application of the judgement retrospectively and therefore has not considered any probable obligations for past periods while awaiting further directions/clarifications in the matter to assess any potential impact on the Group as no reliable estimate can yet be made.

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(All amounts in INR lacs, unless otherwise stated)

39 Related Party Disclosures

Non-executive Directors are disclosed as Key Managerial Personnel as per the requirement of Ind AS24. However, they are not KMPs as per Companies Act, 2013.

A. List of Related Parties:

1. Entities exercising significant influence over the Group	a) iPro Capital Limited; b) Intellipro Finance Pvt. Ltd.	
2. Entities over which Key Managerial Personnel have control	a) Central India General Agents Ltd.	
3. Post-employment benefit funds	a) Xpro India Limited Employees Provident Fund Trust;	
4. Key managerial personnel	a) Executive Directors: (i) Sri Sidharth Birla, Chairman	(ii) Sri C Bhaskar, Managing Director & CEO
	b) Non-executive Independent Directors: (i) Sri K Balakrishnan (w.e.f. May 25, 2022) (iii) Sri Ashok Kumar Jha (v) Sri Utsav Parekh (vii) Sri Umrao Chand Jain (upto May 29, 2023)	(ii) Sri Amitabha Guha (iv) Ms Suhana Murshed (w.e.f. August 10, 2021) (vi) Sri S Ragothaman
	c) Non-executive Non-Independent Directors: (i) Smt Madhushree Birla	(ii) Sri Bharat Jhaver (w.e.f. May 25, 2022)
	d) Others: (i) Sri H Bakshi, Sr. President & COO (ii) Sri V K Agarwal, President (F) & CFO (iii) Sri Amit Dhanuka, Company Secretary (upto January 14, 2023)	
	e) Relatives of Key managerial personnel *: (i) Sri Sudarshan Kumar Birla (iii) Sri Sudarshan Kumar Birla (HUF) (v) Smt Meenakshi Apoorva Bajaj (vii) Smt Kiran Jhaver ** with whom the Group had transactions during the current period*	(ii) Smt Sumangala Birla (iv) Smt Vasusri Jhaver (vi) Smt Usha Ragothaman (viii) Smt Mousumi Bakshi

B. Terms and conditions of transactions with related parties

The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash. This assessment is undertaken each period through examining the financial position of the related party and the market in which the related party operates.

C. Transactions with Related Parties:

Related Party	Nature of Transactions	April 01, 2022 to December 31, 2022
Xpro India Ltd. Employees Provident Fund Trust	Employer's contribution to post employment benefit fund	44.04
iPro Capital Limited	Dividend paid	58.80
	Bonus shares issued *(face value of INR 10 each)*	147.00
Intellipro Finance Pvt. Ltd.	Dividend paid	46.10
	Bonus shares issued *(face value of INR 10 each)*	115.25
Central India General Agents Ltd.	Bonus shares issued *(face value of INR 10 each)*	13.10
	Dividend paid	5.50
Sri Sidharth Birla	Remuneration (including leave encashment)	94.68
	Dividend paid	2.04
	Bonus shares issued *(face value of INR 10 each)*	5.09
Sri C Bhaskar	Remuneration (including leave encashment)	95.52
	Dividend paid	1.15
	Bonus shares issued *(face value of INR 10 each)*	2.89
	Sitting fees	0.03
Sri K Balakrishnan	Sitting Fees	2.00
Sri Amitabha Guha	Sitting Fees	3.05
Sri Ashok Kumar Jha	Sitting Fees	2.00
Ms. Suhana Murshed	Sitting Fees	2.00
Sri Utsav Parekh	Sitting Fees	2.80
	Dividend paid	0.01
	Bonus shares issued *(face value of INR 10 each)*	0.03
Sri S Ragothaman	Sitting Fees	3.18
	Dividend paid	1.37
	Bonus shares issued *(face value of INR 10 each)*	3.42
Smt Madhushree Birla	Sitting Fees	2.03
	Dividend paid	2.00
	Bonus shares issued *(face value of INR 10 each)*	5.01

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XPRO INDIA LIMITED

Xpro India Limited

Notes to the Unaudited Special Purpose Interim Consolidated financial statements for nine month period starting from April 01, 2022 and ended on December 31, 2022

(All amounts in INR lacs, unless otherwise stated)

Related Party	Nature of Transactions	April 01, 2022 to December 31, 2022
Sri Bharat Jhaver	Sitting Fees	2.00
Sri Umrao Chand Jain	Sitting Fees	0.02
Sri H Bakshi	Remuneration	66.52
	Dividend paid	0.20
	Bonus shares issued *(face value of INR 10 each)*	0.51
Sri V K Agarwal	Remuneration	53.18
	Dividend paid	0.17
	Bonus shares issued *(face value of INR 10 each)*	0.42
Sri Amit Dhanuka	Remuneration	13.64
Sri Sudarshan Kumar Birla	Dividend paid	0.01
	Bonus shares issued *(face value of INR 10 each)*	0.03
Smt Sumangala Birla	Dividend paid	0.03
	Bonus shares issued *(face value of INR 10 each)*	0.08
Sri Sudarshan Kumar Birla (HUF)	Dividend paid	0.00
	Bonus shares issued *(face value of INR 10 each)*	0.01
Smt Vasusri Jhaver	Dividend paid	1.05
	Bonus shares issued *(face value of INR 10 each)*	2.62
Smt Meenakshi Apoorva Bajaj	Dividend paid	3.50
	Bonus shares issued *(face value of INR 10 each)*	8.75
Smt Usha Ragothaman	Dividend paid	0.07
	Bonus shares issued *(face value of INR 10 each)*	0.18
Smt Kiran Jhaver	Dividend paid	0.10
	Bonus shares issued *(face value of INR 10 each)*	0.25
Smt Mousumi Bakshi	Dividend paid	0.00
	Bonus shares issued *(face value of INR 10 each)*	0.00

Note: Provisions for gratuity and leave benefits are made for the Company as a whole, hence the amount pertaining to key management personnel are not specifically identified and are not included in remuneration above

D. No balances were outstanding at the end of the current period from/to any of the Related parties.

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XPRO INDIA LIMITED

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

40 Segment Information

The Group operates predominantly within a single reportable business segment i.e. Polymers Processing business and mainly in a single geographic segment i.e. India. There are no separate reportable business or geographic segments. The aforesaid is in line with review of performance and allocation of resources by the chief operating decision maker.
Revenue of INR 16,454.34 lacs was derived from three external customers each accounting for over ten percent of the revenue.

41 Fair Value Measurements

a) Financial instruments by category

All financial assets and liabilities viz. trade receivables, security deposits, cash and cash equivalents, Bank balances other than cash and cash equivalents, interest receivable, trade payables, employee related liabilities and short term loans from banks, are measured at amortised cost.

(b) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the unaudited special purpose interim consolidated financial statement are categorised into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical financial instruments;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: If there are unobservable inputs for the asset or liability, then the instrument is included in level 3.

Financial assets and financial liabilities measured at fair value - recurring fair value measurements

As at December 31, 2022	Level 1	Level 2	Level 3
Financial assets			
Fair value through other comprehensive income			
Derivatives assets	477.13	-	-
Total	**477.13**	-	-
Financial liabilities	-	-	-
Total	-	-	-

Valuation process and technique used to determine the fair value

Fair value through other comprehensive income

Investment in tax free bonds are valued at fair value which is based on direct and market observable inputs.

(c) Financial instrument by category measured at amortised cost

Particulars	As at December 31, 2022 Carrying value	As at December 31, 2022 Fair value
Financial assets		
Trade receivables	4,193.79	4,193.79
Cash and cash equivalents	20.10	20.10
Bank balances other than cash and cash equivalents	3,066.88	3,066.88
Loans	54.23	54.23
Other financial assets	372.46	372.46
Total	**7,707.46**	**7,707.46**
	Carrying value	**Fair value**
Financial liabilities		
Borrowings	3,688.52	3,688.52
Lease liabilities	271.88	271.88
Trade payables	4,694.45	4,694.45
Other financial liabilities	313.02	313.02
Total	**8,967.87**	**8,967.87**

The management assessed that for current assets including security deposits, loans, cash and cash equivalents, trade receivables, other recoverable and other current financial liabilities, borrowings, trade payables, the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) All the long-term borrowing facilities availed by the Group are variable rate facilities which are subject to changes in underlying Interest rate indices. The management believes that the carrying rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

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XPRO INDIA LIMITED

(All amounts in INR lacs, unless otherwise stated)

42 Financial risk management

i) Financial instruments by category

Particulars	As at December 31, 2022		
	FVTPL	FVOCI	Amortised cost
Financial assets			
Investments	-	477.13	-
Trade receivables	-	-	4,193.79
Cash and cash equivalents	-	-	20.10
Bank balances other than cash and cash equivalents	-	-	3,066.88
Loans	-	-	54.23
Other financial assets	-	-	372.46
Total	-	**477.13**	**7,707.46**
Financial liabilities			
Borrowings	-	-	3,688.52
Lease Liabilities	-	-	271.88
Trade payables	-	-	4,694.45
Other financial liabilities	-	-	313.02
Total	-	-	**8,967.87**

The carrying value of the amortised financial assets and liabilities approximate to the fair value on the respective reporting dates.

ii) Risk management

The entity's activities expose it to market risk, liquidity risk and credit risk. The entity board of directors has overall responsibility for the establishment and oversight of the entity's risk management framework. "This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the unaudited special purpose interim consolidated financial statements.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the entity. The entity's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The entity continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk arises from cash and cash equivalents, trade receivables and deposits with banks and financial institutions.

Credit risk management

Credit risk rating

The entity assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets:

i) Low credit risk on financial reporting date ii) Moderate credit risk iii) High credit risk on financial reporting date

The Group provides for expected credit loss on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, Bank balances other than cash and cash equivalents, loans, trade receivables and other financial assets	12 month expected credit loss

Based on business environment in which each entity in the Group operates, there have been no defaults on financial assets of the entity by the counterparty.

Assets are written off when there is no reasonable expectation of recovery, such a debtor declaring bankruptcy or a litigation decided against the entity. The entity continues to engage with parties whose balances are written off and attempts to enforce repayment. The entity does not have any of the debts which are recoverable.

Assets under credit risk –

Credit rating	Particulars	As at December 31, 2022
Low credit risk	Cash and cash equivalents, Bank balances other than cash and cash equivalents, loans, trade receivables and other financial assets	7,707.46

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the India.

Trade receivables

The Group closely monitors the credit-worthiness of the debtors through internal systems for corporate customers, thereby, limiting the credit risk. The Group assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivables become one year past due.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposit and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are written defined limits.

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(All amounts in INR lacs, unless otherwise stated)

Expected credit losses for financial assets other than trade receivables

Group provides for expected credit losses on loans and advances by assessing individual financial instruments for expectation of any credit losses. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the Group can draw to apply consistently to entire population. For such financial assets, the Group's policy is to provide for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Group does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

Particulars	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
December 31, 2022				
Investments	477.13	0%	-	477.13
Loans	54.23	0%	-	54.23
Trade receivables	4,193.79	0%	-	4,193.79
Cash and cash equivalents	20.10	0%	-	20.10
Bank balances other than cash and cash equivalents	3,066.88	0%	-	3,066.88
Other financial assets	372.46	0%	-	372.46

Expected credit loss for trade receivables under simplified approach

The Group recognizes life-time expected credit losses on trade receivables using a simplified approach, wherein Group has defined percentage of provision by analyzing historical trends of default. There have been no significant past due trade receivables as Group receives its significant revenue from selling to major customers directly, wherein there are very low or no chances of non-recoverability. For the rest of operations there were no significant past due receivables.

Particulars		As at December 31, 2022
Gross amount of trade receivables where no default has occurred		4,193.79
Expected loss rate	(%)	-
Expected credit loss(loss allowance provision)		-

B) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors of the Holding Company. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual discounted cash flows.

Particulars	≤ 1 year	1 - 5 year	≥ 5 years	Total
December 31, 2022				
Borrowings	2,199.88	1,488.64	-	3,688.52
Trade payable	4,694.45	-	-	4,694.45
Lease liabilities	35.43	222.83	13.62	271.88
Other financial liabilities	306.45	6.57	-	313.02
Total	**7,236.21**	**1,718.04**	**13.62**	**8,967.87**

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C) Market risk

Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US Dollar and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group. Considering that part of the borrowings are in foreign currency and also purchases are made in foreign currency, the Group's exposure to foreign currency at each reporting date is disclosed herein.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, which have not been hedged by a derivative instrument, is as follows:

Particulars		**As at December 31, 2022**
Financial liabilities		
Payable on imports		
	USD	2,029,120.00
	INR in lacs	1,678.69
Borrowings		
	Euro	1,141,556.86
	INR in lacs	1,013.59
Financial assets		
Receivables on export		
	USD	312,966.96
	INR in lacs	258.92
	Euro	351,393.39
	INR in lacs	312.00

Sensitivity

The sensitivity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments, assuming no change in other variables.

	As at December 31, 2022
USD sensitivity	
INR/USD- increase by 200 basis points (200 bps)	(28.39)
INR/USD- decrease by 200 basis points (200 bps)	28.39
Euro sensitivity	
INR/Euro- increase by 200 basis points (200 bps)	(14.03)
INR/Euro- decrease by 200 basis points (200 bps)	14.03

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Interest rate risk

Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At December 31, 2022, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group's investments in Fixed Deposits bear fixed interest rates.

Interest rate risk exposure

The Group's overall exposure to interest rate risk is as under:

Particulars	As at December 31, 2022
Variable rate borrowings	3,688.52
Total borrowings	**3,688.52**

Sensitivity

The sensitivity of profit or loss before tax to interest rate is:

Interest sensitivity*	
Interest rates – increase by 100 basis points (100 bps)	36.89
Interest rates – decrease by 100 basis points (100 bps)	(36.89)

Assets

The Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rate.

Capital management policies and procedures

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders.

The Company' s capital management objectives are
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	As at December 31, 2022
Long-term borrowings	1,488.64
Current maturities of long-term borrowings	1,654.03
Short-term borrowings	545.85
Total borrowings	**3,688.52**
Less:	
Cash and cash equivalents	20.10
Bank balance other than cash and cash equivalents	3,066.88
Net debt	**601.54**
Total equity*	21,051.79
Net debt to equity ratio	**2.86%**

* *Equity includes equity share capital and other equity of the Group that are managed as capital.*

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43 Leases

a) The Group has adopted Ind AS 116 –'Lease' from April 1, 2019, which resulted in changes in accounting policies in the unaudited special purpose interim consolidated financial statements

b) **Practical expedients applied**
The Group has used the practical expedients permitted by the standard:
-applying a single discount rate to a portfolio of leases with reasonably similar characteristics
-accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2019 as short-term leases.

c) The weighted average lessee's incremental borrowing rate applied for the lease liabilities is 11.25%.

d) Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Group is prohibited from selling or pledging the underlying leased assets as security. For lease over office building the Group must keep the property in a good condition of repair and return the property in the original condition at the end of the lease.

e) The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognized on consolidated balance sheet:

Right-of-use assets	No of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term(years)
Building	2	3 - 5	4.00
Land	3	70 - 83	76.00

There are no leases entered by the Group which have any extension, termination or purchase options and the payment of lease rentals is not based on variable payments which are linked to an index.

f) Amounts recognized in unaudited special purpose interim consolidated balance sheet and unaudited special purpose interim consolidated statement of profit and loss:

The balance sheet shows the following amounts relating to leases:

Particulars	**Category of right-of-use assets**		
	Land	**Buildings**	**Total**
Balance as at April 1, 2022	711.17	170.05	881.22
Add: Additions during the period	-	73.44	73.44
Less: Amortisation on right-of-use assets	(6.70)	(25.02)	(31.72)
Balance as at December 31, 2022	704.47	218.47	922.94

	Movement in lease liabilities		
	Land	**Buildings**	**Total**
Balance as at April 1, 2022	-	217.82	217.82
Add: Additions during the period	-	73.44	73.44
Add: Interest expense	-	19.80	19.80
Less: Lease rental paid	-	39.18	39.18
Balance as at December 31, 2022	-	271.88	271.88

g) **Amount recognised in Unaudited Special Purpose Interim Consolidated Statement of Profit and Loss:**

	April 01, 2022 to December 31, 2022
i) Amorisation of right-of-use assets (classified under Depreciation and amortisation expense)	31.72
ii) Interest on lease liabilities (classified under Finance costs)	19.80
iii) Expenses related to short term leases (classified under Other expenses)	22.88

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h) The total cash outflow for leases for the period ended December 31, 2022 was INR 39.18 lacs.

i) Lease liabilities included in consolidated balance sheet:

	As at December 31, 2022
Current	35.43
Non-current	236.45

j) Future minimum lease payments are as follows:

As on December 31, 2022

Minimum lease payments due	Lease payments	Finance charges	Net present values
Within 1 year	64.23	(28.80)	35.43
1 - 2 years	64.69	(24.59)	40.10
2 - 3 years	72.97	(19.48)	53.49
3 - 4 years	75.77	(12.92)	62.85
4 - 5 years	71.81	(5.42)	66.39
After 5 years	13.87	(0.25)	13.62
Total	**363.34**	**(91.46)**	**271.88**

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(All amounts in INR lacs, unless otherwise stated)

44 Revenue related disclosures (in accordance with Ind AS 115)

A Disaggregation of revenue

Revenue recognised mainly comprises of sale of (i) Coextruded sheets, cast films and liners and (ii) Biaxially oriented films. The disaggregation of the Group's revenue from contract with customers is set out below:

Particulars	April 01, 2022 to December 31, 2022
Revenue from contracts with customers	
(i) Sale of products:	
(a) Coextruded sheets, cast films and liners	26,640.31
(b) Biaxially oriented films	11,179.90
(ii) Other operating income	849.42
Total revenue covered under Ind AS 115	**38,669.63**

B Contract balances

Information about contract liabilities and receivables from contract with customers:

Particulars	As at December 31 2022
Contract liabilities	
Advance received from consumers	27.43
Total contract liabilities	**27.43**
Receivables	
Trade receivables	4,193.79
Total receivables	**4,193.79**

C Significant changes in the contract liabilities balances during the period/ year:

Contract liabilities - Revenue received in advance	
Opening balance	113.94
Addition during the period	27.43
Revenue recognised during the period	(113.94)
Closing balance	27.43

D Refer Note No.40 for disclosure regarding three external customers each accounting for over ten percent of the revenue.

E Contract asset is the right to consideration in exchange for goods or services transferred to the customer.

Contract liabilities are on account of the advance payment received from customers for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. The Group does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. Further, there are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

Payment terms with customers vary depending upon the contractual terms of each contract and generally falls within 120 days from the completion of performance obligation.

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45 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified. The Group will consider the impact in the period in which, the Code becomes effective along with the related rules.

46 The management decided, during the year ended March 31, 2019, to sell or otherwise dispose non-core asset being Biax Division Unit 1, located at Barjora, Dist. Bankura, West Bengal, and subsequently obtained necessary shareholder approval. Accordingly, in terms of Ind AS 105 Non-current assets held for sale and discontinuing operations, the property, plant and equipment situated at Unit 1 Barjora were presented as 'Assets held for sale' separately from other assets in the balance sheet. The sale/business transfer was completed on October 20, 2022 at a consideration of INR 6.78 lacs for fixed assets. Accounting for the transaction resulted in an increase of other income by INR 85.75 lacs during the period ended December 31, 2022.

47 Dividend of Rs.2 (Rupees Two only) per equity share of face value Rs.10 each for the financial year ended March 31, 2022, was approved by shareholders at Annual General Meeting held on June 24, 2022 and was paid on July 4, 2022.

48 The Unaudited Special Purpose Interim Consolidated Financial Statements were approved for issue by the Board of Directors on February 26, 2024.

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm registration number: 001076N/N500013

Ashish Gera
Partner
Membership No.: 508685

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

Place: New Delhi
Date: February 26, 2024

For and on behalf of the Board of Directors

Sidharth Birla
Chairman
(DIN: 00004213)

V.K. Agarwal
President (Finance) and
Chief Financial officer

Place: New Delhi
Date: February 26, 2024

XPRO INDIA LIMITED ★

C. Bhaskar
Managing Director and
Chief Executive officer
(DIN: 00003343)

Kamal Kishor Sewoda
Company Secretary

Place: New Delhi
Date: February 26, 2024