xproindia

Xpro India Limited

Annual Report 2020/21

Board of Directors

Sri Sidharth Birla *(DIN: 00004213)*
Chairman
Smt. Madhushree Birla *(DIN: 00004224)*
Sri Amitabha Guha *(DIN: 02836707)*
Sri Ashok Kumar Jha *(DIN: 00170745)*
Sri Utsav Parekh *(DIN: 00027642)*
Sri S. Ragothaman *(DIN: 00042395)*
Sri C. Bhaskar *(DIN: 00003343)*
Managing Director & Chief Executive Officer

Company Secretary

Sri Amit Dhanuka *(ACS 23872) #*
Sri S.C. Jain *(FCS 2159) @*

Senior Executives

Sri H. Bakshi
Sr. President & Chief Operating Officer
Sri V.K. Agarwal
President (Finance) & Chief Financial Officer
Sri N. Ravindran
Jt. President (Marketing) & Chief Marketing Officer
Sri Anil Jain
Sr. Vice President, Coex Division
Sri Sunil Mehta
Executive Vice President, Coex Division (GRN)
Sri Radhey Shyam
Executive Vice President, Coex Division (RNJ)
Sri Sanjay Kumar Patodia
Executive Vice President (Commercial), Biax Division
Sri Satish M. Agarwal
Vice President (Commercial), Coex Division (RNJ)
Sri Amit Kumar
Vice President (Marketing)
Sri Madhu Babu Yenike
Vice President (Works), Coex Division (GRN)

@ upto June 30, 2020
 # w.e.f. July 1, 2020

Registered Office

Barjora-Mejia Road,
P.O. Ghutgoria, Tehsil: Barjora,
Distt : Bankura 722 202, West Bengal

Tel.: +91-9775301701
e-mail: cosec@xproindia.com
website: www.xproindia.com

Corporate Office

1st Floor, 20/3, Main Mathura Road,
Faridabad 121 006, Haryana

Biax Division

Barjora-Mejia Road,
P.O. Ghutgoria, Tehsil: Barjora,
Distt: Bankura 722 202, West Bengal

Coex Division

32, Udyog Vihar, Greater Noida,
Gautam Budh Nagar 201 306, Uttar Pradesh

Plot E-90/1, MIDC Industrial Area,
Ranjangaon, Distt. Pune 412 220, Maharashtra

Registrar & Share Transfer Agents

M/s MCS Share Transfer Agent Limited,
383, Lake Gardens, 1st Floor,
Kolkata 700 045

Auditors

M/s Walker Chandiok & Co. LLP
New Delhi

Company Identification Number

L25209WB1997PLC085972

NOTICE
TO THE SHAREHOLDERS

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of Xpro India Limited will be held on Tuesday, August 10, 2021 at 10.30 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

1. To consider and adopt the Directors' Report and the audited financial statements of the Company for the financial year ended March 31, 2021 and the Auditors' report thereon.

2. To appoint a Director in place of Smt. Madhushree Birla (DIN: 00004224) who retires by rotation and being eligible, offers herself for reappointment.

SPECIAL BUSINESS:

To consider and, if thought fit, to accord assent/dissent to the following Resolutions:

3. **AS A SPECIAL RESOLUTION**

"RESOLVED that pursuant to the Articles of Association of the Company and provisions of Sections 196 & 197 read with Schedule V, Section 203 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any re-enactment thereof, the Company hereby approves the re-appointment of Sri C Bhaskar (DIN 00003343) as Managing Director & Chief Executive Officer of the Company whose office shall not be liable to retirement by rotation under the Companies Act, 2013 for a period of three years with effect from January 1, 2021 subject to the superintendence, control and direction of Board of Directors, entrusted with substantial powers of management in respect of the whole of the affairs of the Company and shall perform such duties and exercise such powers as have been or may be entrusted from time to time to or conferred upon him by the Board and with liberty to either party to terminate the appointment with three months' notice to the other. Sri C Bhaskar shall be paid remuneration by way of either:

i) Salary, commission (not exceeding 2% of the net profits), perquisites and other benefits/allowances (as per the rules of the Company) as may be decided by the Board of Directors from time to time subject in aggregate to a maximum of 5% of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 or any re-enactment thereof, as may be applicable; or

ii) Where in any financial year the Company has no profits or its profits are inadequate, the Company shall pay remuneration to Sri C Bhaskar by way of salary, house rent allowance, special allowance and other benefits/allowances (as per the rules of the Company) as may be approved by the Board of Directors of the Company from time to time as minimum remuneration upto an aggregate amount of Rs.20.00 lakhs per month.

whichever of (i) or (ii) is higher.

RESOLVED FURTHER that Sri C Bhaskar shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on minimum remuneration specified here-in-above in accordance with the provisions of Schedule V to the Companies Act, 2013 (as amended) and any statutory modifications or re-enactment thereof, if the Company has no profits or its profits are inadequate:

a) contribution to provident, superannuation or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
c) encashment of un-availed leave at the end of the tenure."

4. **AS AN ORDINARY RESOLUTION**

"RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable for the year 2021-22 to M/s Sanghavi Randeria & Associates, Cost Accountants, Mumbai (Firm Registration No. 00175) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2021-22, amounting to Rs.1,20,000/- (Rupees One lakh twenty thousand only) as also the payment of applicable taxes and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

New Delhi
May 25, 2021

By Order of the Board

Amit Dhanuka
Company Secretary
e-mail: cosec@xproindia.com
Tel.: +91-33-40823700
website: www.xproindia.com

Registered Office:
Barjora-Mejia Road, P.O. Ghutgoria,
Tehsil: Barjora, Distt.: Bankura
West Bengal 722 202
CIN: L25209WB1997PLC085972

NOTES

1. Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated January 13, 2021 ("MCA Circular") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the MCA Circular, the AGM of the Company is being held through VC / OAVM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since this AGM is being held pursuant to the MCA Circular through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to cosec@xproindia.com with a copy marked to helpdesk.evoting@cdslindia.com.
5. In compliance with the aforesaid MCA Circular and SEBI Circular dated January 15, 2021, Notice of the AGM along with the Annual Report for the year 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice of the 24th Annual General Meeting and Annual Report 2020-21 will also be available on the Company's website www.xproindia.com, and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
8. In terms of the MCA Circular, the businesses set out in the Notice will be transacted by the members only through remote e-voting or through the e-voting system provided during the meeting while participating through VC facility. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting

votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

9. The Register of Members of the Company will remain closed from August 3, 2021 to August 10, 2021 (both days inclusive).

10. Members who continue to hold shares in physical form are requested to intimate any changes in their address immediately with postal pin code to the Company's Registrar & Share Transfer Agents, M/s MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata 700 045, quoting their folio numbers. **Further, please note that in the case of dematerialized shares any change(s) required in Address, Bank details, Bank Mandate, ECS Mandate, Power of Attorney and also requests for registration of Nomination, Transmission, etc., are to be intimated to your DP and not to the Company or our Registrars.**

11. Members are requested to provide their e-mail ID to the Registrars, M/s MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata 700 045 (mcssta@rediffmail.com), if shares are held in physical form or to their respective Depository Participants if shares are held in Demat form.

12. Electronic copy of Annual Report for the year 2020-21 and Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants(s) for communication purposes.

13. **Voting through electronic means**

    I. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), and Regulation 44 of SEBI Listing Regulations the Company is pleased to provide members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the Annual General Meeting (AGM) by remote e-voting. The business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

    II. In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. The login method for e-voting and joining virtual meetings in such cases is:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1. Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password and reach e-Voting page without any further authentication. Login to Easi/Easiest at https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2. After successful login the Easi/Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the e-Voting service provider; 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration; 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for CDSL where the e-Voting is in progress during or before the AGM.
Individual Shareholders holding securities in demat mode with NSDL	1. If you are already registered for NSDL IDeAS facility, please visit the NSDL e-Services website at https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name (CDSL) and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Visit the e-Voting website of NSDL at https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider (CDSL) and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Individual Shareholders holding securities in demat mode may contact helpdesk of Depository CDSL or NSDL as the case may be for any technical issues related to login through Depository at CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738/23058542-43 or NSDL helpdesk at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990/1800 22 44 30 respectively.

III. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders:

a) Log on to the e-voting website: www.evotingindia.com during the voting period.

b) Click on "Shareholders" tab.

c) Now Enter your User ID:

(i) a. For CDSL: 16 digits beneficiary ID;

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(ii) Next enter the Image Verification as displayed and Click on Login.

d) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

e) If you are a first time user, please follow the steps given below. Now, fill up the following details in the appropriate boxes:

For Members holding shares in Demat / Physical Form

PAN*	Enter your 10 digit alpha-numeric PAN* issued by Income Tax Department **(Applicable for both demat shareholders as well as physical shareholders)** * Members who have not updated their PAN with the Company/Depository Participant are requested to enter, in the PAN field, the Sequence Number mentioned in the e-mail communication sent by the Company/RTA/CDSL.
Dividend Bank Details or Date of Birth	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the Depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (c).

f) After entering these details appropriately, click on "SUBMIT" tab.

g) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.

Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

h) For Members holding shares in physical form the details can be used only for e-voting on the resolutions contained in this Notice.

i) Click on the EVSN against the Company's name for which you choose to vote i.e. XPRO INDIA LIMITED.

j) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

k) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

l) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "cancel" and accordingly modify your vote.

m) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

n) You can also take a print out of the voting done by you by clicking on "Click here to print" option on the Voting page.

o) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code and click on Forgot Password & enter the details as prompted by the system.

p) Note for Non-Individual Shareholders and Custodians

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.com and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Authorised Person/Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz. cosec@xproindia.com, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

IV. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or via email to helpdesk.evoting@cdslindia.com.

You can also contact the helpdesk on telephone number: 022-23058542 / 43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013.

V. **The e-voting period commences on August 7, 2021 (9 a.m.) and ends on August 9, 2021 (5 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 3, 2021, may cast their vote electronically.** The e-voting module shall be disabled by CDSL for remote voting thereafter. Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means. Such members who have already voted through remote e-voting may attend the AGM but shall not be entitled to vote again thereat.

VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 3, 2021.

VII. Sri K. C. Khowala, Practicing Company Secretary (Membership No. ACS 4695 & CP No.2421) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VIII. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company, or a person duly authorised, who shall countersign the same and thereafter, the Chairman or the person so authorised, shall declare the results of the voting forthwith. This Notice as well as the Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL and communicated to the NSE immediately.

14. Process for those members whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

I. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.

II. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID+CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) to Company/RTA email id.

15. **Instructions for members for attending the AGM through VC / OAVM are as under:**

I. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

It is suggested that Shareholders may join the Meeting through a computer/tablet for a better experience.

II. Kindly note that allowing the use of the device's Camera and a fast Internet speed will allow the meeting to proceed smoothly.

III. Please note that Participants connecting with smaller devices or through hotspot connections may experience additional Audio/Video loss due to fluctuation in respective network, for which the Company cannot be responsible. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

IV. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cosec@xproindia.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cosec@xproindia.com. These queries will be replied to by the Company suitably by email. At the meeting, the Company reserves the absolute right to control the number of speakers, and/or the time per speaker, depending on availability of time. The Company also reserves the right to provide detailed information, if any is considered necessary, through e-mail or other appropriate means after the AGM.

V. Only those shareholders who have registered themselves as a speaker (as detailed above) will be allowed to express their views/ask questions during the meeting.

16. **Instructions for members for e-voting during the AGM are as under:-**

I. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

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

III. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

17. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to cosec@xproindia.com.

18. Members are hereby informed that the Company has transferred unpaid/unclaimed dividends, which remained unclaimed over a period of 7 years, to the Investor Education and Protection Fund (IEP Fund) constituted by the Central Government under section 125(1) of the Companies Act, 2013.

    It may be noted that no claim shall lie against the Company in respect of individual amounts which were unclaimed and unpaid for a period of 7 years and transferred to the Fund on respective due dates. Unclaimed amount once transferred to IEP Fund can be claimed by members from the Authority constituted by the Central Government under section 125 of the Companies Act, 2013 in this behalf.

19. **EXPLANATORY STATEMENT**
    (Pursuant to Section 102(1) of the Companies Act, 2013/SEBI Regulations)

Item No. 2

In terms of Section 149, 152 and other applicable provisions of the Companies Act, 2013, for the purpose of determining the directors liable to retire by rotation, Independent Directors shall not be included in the total number of directors of the Company. Smt. Madhushree Birla, non-executive Director, shall accordingly retire at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment.

Smt. Madhushree Birla, aged about 66 years, graduate from University of Ahmedabad, was first appointed on the Board of the Company in the year 2004. She has served as Director and Advisor of various Corporate Bodies at different times. She is presently Executive Director of iPro Capital Limited, renders professional advisory services and is also engaged in social work.

Smt. Birla is presently Director on the Boards of Alpha Capital Resources Pte. Ltd., Singapore, Intellipro Finance Pvt. Ltd., iPro Capital Ltd., and Xpro Global Ltd. She chairs the Corporate Social Responsibility ("CSR") Committee of the Company.

Smt. Madhushree Birla holds 125 (neg.%) Equity Shares of the Company.

Except Smt. Madhushree Birla, being the proposed appointee, and Sri Sidharth Birla who are related to each other, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution.

Item No. 3

Sri C Bhaskar has been a whole-time director of the Company since January 1, 2001. He was last re-appointed as Managing Director & Chief Executive Officer of the Company for a period of 3 years with effect from January 1, 2018, which term expired on December 31, 2020. The Remuneration & Nomination Committee and the Board of Directors at their meetings held on November 7 and November 9, 2020 respectively have unanimously approved his re-appointment as Managing Director & Chief Executive Officer of the Company for a period of three years with effect from January 1, 2021 on the payment of remuneration as proposed in the resolution, subject to the approval of the Members of the Company in General Meeting.

During Sri C Bhaskar's long association with the Company at different levels and with various businesses since 1984, he has contributed greatly in the Company achieving its present position. The Company has exhibited a fair but stable performance during his tenure. He has extensive experience of over forty two years in consultancy, industry and business.

Sri C Bhaskar shall subject to superintendence, control and direction of the Board of Directors, be entrusted with substantial powers of management in respect of the whole of the affairs of the Company and shall perform such duties and exercise such powers as have been or may be entrusted to or conferred upon him by the Board from time to time.

The Board of Directors of the Company considers that the re-appointment of Sri C Bhaskar as Managing Director & Chief Executive Officer will prove beneficial to the Company and accordingly recommends the resolution, as set out at Item No. 3 of the Notice convening this meeting, for your approval.

Sri C Bhaskar is a Director of Xpro Global Ltd., Holland & Sherry India Private Ltd., Kriti Industries (India) Ltd. and Kriti Nutrients Ltd. He is also a designated partner of Tanjore Partners LLP and a member of the Executive Committee and a past President of Organisation of Plastics Processors of India.

Sri C Bhaskar is the member of Stakeholders Relationship Committee, Committee of Directors and Corporate Social Responsibility Committee of Xpro India Limited. He is also the Chairman of Stakeholders Relationship Committee, member of Nomination & Remuneration Committee of Kirti Industries (India) Ltd and member of Nomination & Remuneration Committee of Kirti Nutrients Ltd.

In accordance with the requirements of Schedule V to the Companies Act, 2013, a statement providing the required information for the re-appointment and payment of remuneration to Sri C Bhaskar is given hereunder:

I. General Information:

1	Nature of Industry	Polymer Business (diversified)
2	Date or Expected date of commencement of commercial production	The Company has Manufacturing units at different locations where commercial production first commenced as per details below: a) Barjora, West Bengal - 1991 b) Barjora Unit II, West Bengal - 2014 c) Greater Noida, Uttar Pradesh - 2003 d) Ranjangaon, Maharashtra – 2008
3	In case of new companies, expected date of commencement of activities as per projects approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	The net profit after tax, net sales and foreign exchange earned through exports (FOB Value) / deemed exports for last three years were as follows:

(in Rs. Crores)

Year	Net Profits	Revenue	Exports
2018-19	2.29	346.07	8.29
2019-20	1.21	354.84	6.14
2020-21	7.91	373.35	9.54

5	Foreign Investments or Collaborations, if any	Nil

II. Information about appointee:

1	Background details	Sri C Bhaskar, B.Tech. (Chem.) with distinction, and a post-graduate from Indian Institute of Management, Calcutta, aged about 66 years, has extensive experience of 42 years in Consulting, Industry, Business and Financial Management including 5 years with Tata Sons Limited/Tata Economic Consultancy Services and 37 years with the businesses of Xpro India Limited. He has worked in areas of Corporate and Business planning, Market Research, Asset Revaluation, Diversification, Mergers, Acquisition, Disinvestment, Marketing, Operations and Factory Management, and as Divisional/ Business Head. He has attended

		management development programmes at the Indian School of Business and other Institutions.
2	Past remuneration	For the year 2020-21: Salary: Rs.88.50 lacs; Lumpsum Bonus; Rs.15.50 lacs; Other Perquisites (incl. LTA/ medical reimbursement): Rs.1.25 lacs; Contribution to PF/Superannuation funds (or payment in lieu thereof): Rs.23.32 lacs; Encashment of unavailed leave at end of tenure: Rs.18.49 lacs;
3	Recognition or Awards	Fellow of the Indian Plastics Institute; Past President and Member of the Executive Committee of Organisation of Plastics Processors of India; Member of Committees & former Chairman of Proplast Committee of Plastindia; Former Vice President of All India Plastic Manufacturers Association.
4	Job Profile and its Suitability	He has been appointed as Managing Director & Chief Executive Officer subject to the superintendence, control and direction of Board of Directors, entrusted with substantial powers of management in respect of the whole of the affairs of the Company and shall perform such duties and exercise such powers as have been or may be entrusted to or conferred upon him by the Board from time to time. He has been associated with the business of the Company since 1984. Considering his background and experience, he is eminently suitable to continue to hold the position of Managing Director & Chief Executive Officer in the Company.
5	Remuneration proposed	As per details contained in the Notice for the Annual General Meeting.
6	Comparative remuneration with respect to Industry Standards	The proposed remuneration is in line with remuneration payable to the Directorial personnel holding similar stature/position in the Industry.
7	Any Pecuniary Relationship	Besides remuneration, Sri C Bhaskar holds 58,581 (0.50%) of the Equity Shares of the Company.

III. Other Information:

1	Reasons for loss or inadequate profit	The Company had returned to profitability since 2017-18 following various steps taken during previous few years to rationalize operations. Company's Profit is in general impacted by prevailing market conditions in India and globally, petroleum product price levels, production levels at major OEM customers, rupee depreciation and price pressures in depressed markets which are increasingly competitive. Performance during the last quarter of 2019-20 and during 2020-21 was further affected due to Covid-19 pandemic, consequent lockdown, the slow recovery of markets and related uncertainties. The prevailing conditions are seen as transient and with stabilization in markets together with completion of on-going steps to improve and rationalize operations (including divestment), profitability is expected to be restored to adequate levels. Your approval is sought by special resolution as stipulated under Part II Section II Para (A) of Schedule V to the Companies Act, 2013.
2	Steps taken/ proposed to be taken for improvement	
3	Expected Increase in productivity and profits in measurable terms	

IV. Disclosures:

The Remuneration details are given in the proposed resolution and Corporate Governance Report.

<u>**Item No. 4**</u>

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Sanghavi Randeria & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the year 2021-22 as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in the said Resolution.

The Board of Directors recommends the Resolution for approval by the Members.

Kolkata
May 25, 2021

Registered Office:
Barjora-Mejia Road, P.O. Ghutgoria,
Tehsil: Barjora, Distt.: Bankura
West Bengal 722 202
CIN: L25209WB1997PLC085972

By Order of the Board

Amit Dhanuka
Company Secretary
e-mail: cosec@xproindia.com
Tel.: +91-33-40823700
website: www.xproindia.com

ADDENDUM TO THE NOTICE DATED MAY 25, 2021
TO THE SHAREHOLDERS

Further to the Notice dated May 25, 2021 calling the Twenty Fourth Annual General Meeting ('AGM') of the Company scheduled to be held on Tuesday, August 10, 2021 at 10.30 a.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the businesses as set out in the Notice of the AGM, Notice is hereby given that the said Meeting will also transact the following additional special business as Item no. 5:

SPECIAL BUSINESS:

To consider and, if thought fit, to accord assent/dissent to the following Resolutions:

5. **AS AN ORDINARY RESOLUTION**

   "RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and upon the recommendations of the Remuneration and Nomination Committee of the Board and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, Ms. Suhana Murshed (DIN: 08572394), be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years i.e. until the conclusion of the 29th Annual General Meeting of the Company."

Kolkata
June 22, 2021

By Order of the Board

Amit Dhanuka
Company Secretary
e-mail: cosec@xproindia.com
Tel.: +91-33-40823700
website: www.xproindia.com

Registered Office:
Barjora-Mejia Road, P.O. Ghutgoria,
Tehsil: Barjora, Distt.: Bankura
West Bengal 722 202
CIN: *L25209WB1997PLC085972*

NOTES

1. Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated January 13, 2021 ("MCA Circular") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the MCA Circular, the AGM of the Company is being held through VC / OAVM.
3. Members may note that this Addendum will also be available on the Company's website www.xproindia.com, and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
4. In terms of the MCA Circulars, the business set out in this Addendum will be transacted by the members only through remote e-voting or through the e-voting system provided during the meeting while participating through VC facility. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

5. All the processes, notes and instructions relating to remote e-voting and e-voting during the AGM set out for and applicable to the ensuing AGM shall apply to the e-voting for the Resolution proposed in this Addendum to the Notice. Furthermore, Scrutinizer appointed for the ensuing AGM will act as a Scrutinizer for the Resolution proposed in this Addendum to the Notice.

   This Addendum forms an integral part of the Notice dated May 25, 2021.

6. **EXPLANATORY STATEMENT**

   (Pursuant to Section 102(1) of the Companies Act, 2013/SEBI Regulations)

   Item No. 5

   Ms Suhana Murshed, aged about 38 years, holding a Masters Degree in Law (LLM) from King's College London, United Kingdom, is affiliated with the Bar Council of Maharashtra and Goa, was recommended by the Remuneration & Nomination Committee at its Meeting held on June 19, 2021, as an Independent Director of the Company. Ms Murshed is a partner at Khaitan & Co. Advocates, specializing in transactional work with a primary focus on mergers and acquisitions, private equity investments and strategic alliances with experience of over fourteen years. Ms. Murshed is a regular speaker at various forums on topics on corporate and commercial laws. She has been recognized by IFLR 1000 as a 'Notable Practitioner' for two consecutive years i.e., 2021 and 2020.

   Ms Murshed is presently Independent Director on the Boards of SAREGAMA India Limited and STEL Holdings Limited and Director in Sallum Private Limited.

   Ms Suhana Murshed does not hold by herself or for any other person on a beneficial basis, any Equity Shares in the Company.

   In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Ms Murshed, being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director of the Company to hold office for a term of five years until the conclusion of the fifth consecutive Annual General Meeting hereafter (i.e. the 29th Annual General Meeting of the Company). A notice has been received from a member proposing Ms. Murshed as a candidate for the office of Director of the Company.

   In the opinion of the Board, Ms Murshed fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the promoters and management.

   The Board considers that her association would be of appropriate and significant benefit to the Company and it is desirable to avail services of Ms Murshed as an Independent Director. Accordingly, the Board recommends the resolution for the approval by the members of the Company.

   Except Ms Suhana Murshed, being the proposed appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution.

Kolkata
June 22, 2021

By Order of the Board

Amit Dhanuka
Company Secretary
e-mail: cosec@xproindia.com
Tel.: +91-33-40823700
website: www.xproindia.com

Registered Office:
Barjora-Mejia Road, P.O. Ghutgoria,
Tehsil: Barjora, Distt.: Bankura
West Bengal 722 202
CIN: L25209WB1997PLC085972

REPORT OF THE DIRECTORS
TO THE SHAREHOLDERS

We present herewith our Annual Report together with the Audited Financial Statements of your Company for the year ended March 31, 2021.

FINANCIAL RESULTS

		(INR Lacs)
	FY 2021	FY 2020
Operations for the year resulted in a Profit before Interest and Depreciation (PBIDT) of	**43,25.86**	**32,01.36**
less: Interest & other finance costs	17,31.52	18,58.27
Profit before Depreciation and Tax (PBDT)	**25,94.34**	**13,43.09**
less: Depreciation	12,39.69	12,21.34
Profit Before Tax (PBT)	**13,54.65**	**1,21.75**
less: Exceptional items *(net)*	(51.00)	-
less: MAT credit for earlier years written off	(5,33.58)	
add: Tax adjustment for earlier years	20.93	(0.84)
Profit after Tax (PAT)	**7,91.00**	**1,20.91**
add : Other comprehensive income	(39.55)	(20.32)
add : Surplus brought forward	(1,61.44)	(2,62.03)
Balance available for appropriation	**5,90.01**	(**1,61.44**)
Which is appropriated as :		
- Surplus carried forward	**5,90.01**	(**1,61.44**)

Notwithstanding the clearly improved performance and a reasonable surplus carried-forward, deeming it prudent to conserve resources in the face of wide-ranging uncertainties the Directors do not recommend a Dividend.

Shareholders may note that these results are the aggregate of about one quarter of seriously inhibited performance (due to the countrywide lockdown) and three quarters of recovering performance. A note of caution is expressed, that unforeseen external circumstances and/or business conditions can affect the sustainability of these performance levels.

The tax adjustment for earlier years principally relates to writing off deferred tax assets, required under a choice which the Company has opted for under the Income Tax Act (covered below in this report), and therefore does not have a direct relation to the operating results for the year.

REVIEW OF KEY BUSINESS MATTERS

The year ended March 31, 2021 was an unprecedented year for the economy, businesses and citizens alike. It brought about economic and personal distress that could not be imagined. We wish to respectfully empathize with the turmoil this pandemic has caused to millions of lives in India and across the globe. Governments worldwide deployed a range of policy tools to support citizens and economies. India too recognised the socio-economic disruptions and announced some proactive strategies, containment measures, fiscal support and demand push, besides financial measures and structural reforms - which are collectively facilitating recovery and trying to stabilize businesses in stress.

However, the present second wave of Covid has as yet unpredictable socio-economic outcomes. Enough has been written in the public domain on analysis of the macro-economic situation and the impact on businesses, lives and livelihoods. Of late, various surveys including by the RBI, flag the possibility of poor consumer sentiment - particularly for discretionary spending (which can affect the Company's ultimate markets). Many commentators point out that exuberance in the stock markets may not be a pragmatic reflection of the state and condition of corporates and the economy. Recently, some forecasters are scaling back growth estimates and remain alert for problems on the bad-loans front. It is possible that for some time this year the resilience of both citizens and companies across sectors may get seriously tested amid the ongoing Covid-19 crisis. All aspects considered, going forward one must be reasonably prepared for unforeseeable business challenges and an ultra-sensitive atmosphere in the banking system.

Throughout the challenging period of addressing Covid-19 issues, the health, safety and well-being of our employees and people in our environs has been a management priority. Wherever possible, work-from-home was implemented, and our protocols for productive activities incorporate best practices as well as stipulated guidelines for safety. Strict standards of hygiene and sanitation, social distancing, use of masks etc., have been implemented and suitable safe practices continue to evolve dynamically. Management's precautions helped to severely limit negative outcomes. There were no job losses at the Company on account of Covid or lockdowns.

The Company's operations were temporarily suspended from March 24, 2020 on imposition of general lockdown, which was extended in multiple phases upto May 31, 2020. On resumption of economic activity the units resumed phased operations under tough guidelines. The first quarter's performance was an obvious washout. As a leading OE and industrial supplier to the consumer durables and capacitor industries, even in normal times the Company's production and revenues are always subject to swings in demand from these sectors, and to our incoming and outgoing transport logistics. Thus extrapolation of quarterly performance cannot yield exact trends.

After an almost lost first-quarter, the rest of the year fortunately saw a rebound in demand for us (including pent-up demand) and therefore production volume for the full year at 28,478 MT (30,298 MT) was lower only by 6%, but net sales value of an improved product-mix rose by over 5% to Rs.373.36 Crores. Operating PBIDT increased by about 35% to Rs.4325.86 lacs (Rs.3201.36 lacs). Interest and financial costs were lower at Rs.1731.52 lacs (Rs.1858.27 lacs) and accordingly Profit before Depreciation, exceptional items and tax was Rs.2594.34 lacs (Rs.1343.09 lacs). Profit before exceptional items and tax was Rs.1354.65 lacs (Rs.121.75 lacs).

Some long-term initiatives and immediate liquidity support were initiated by the Government through the banking system; the Company has availed of certain facilities to which it became entitled, and this helped reinforce our resource position which in turn helps working capital needs to support smooth and increased production. The cash generation has been adequate to meet the Company's debt-servicing obligations.

As a prudent measure, the Company availed of a 6-month moratorium/deferral on payment of term loan instalments falling due during lockdown, from the consortium of Banks. Management had initially envisioned a restructuring of loans under the guidelines for resolution of Covid related stress. However, with markets stabilizing, the Company could on its own cash flow meet repayments of loans and therefore withdrew its restructuring proposal. The Company was eligible for and was sanctioned Rs.22.60 Crores as Government guaranteed working capital term loans under the Emergency Credit Line Guarantee Scheme 2.0. During the year overall debt decreased by Rs.33.74 Crores.

Operating details are annexed in the Managements' Discussion & Analysis which forms a part of this report. The Management is confident of maintaining its track record of meeting rated outputs when required, the quality and competitiveness of product offerings, and of the service levels to clients. Under typical and reasonable conditions, operational capability is not expected to be a constraining factor to improved financial performance. However relevant capacity enhancements may be a desirable way forward when the economy returns to sustainable growth path.

The Company, being essentially a business-to-business supplier, has its output really determined by the end-markets of its industrial clients. Resultantly demand and related pricing power of the Company can get influenced by several factors such as consumer sentiment, production of electrical goods, and aggressive pricing tactics adopted by foreign suppliers (sometimes due to spillover from their regular markets).

The strategic consolidation and other steps taken over the past few years in the Company have visibly played a positive role. The Company has engaged Deloitte Touche Tohmatsu India LLP to further drive sustainable cost reductions and operational efficiency improvements at the production units. The assignment has commenced recently and we are hopeful this will help the management in consolidating process improvements and upgrading competitiveness; we expect positive results to be derived regularly in subsequent periods.

The Dielectric film line (Biax Division - Unit II at Barjora, West Bengal) delivered healthy volumes on production and sales build-up. This unit remains the solitary Indian manufacturer for high-quality dielectric BOPP films and has established itself in the market, competing with imports from multiple suppliers in China (price-led), Japan, South Korea and Europe (perceived quality-led). Exports to USA and Germany also continued well despite the pandemic and shipping uncertainties. New groups of products continue to be developed and gain client acceptance, but at present the capacity demanded by regular products dominates the daily discourse.

Shareholders had approved at the EGM of April 16, 2019, the sale, transfer or disposal otherwise of Barjora Unit I (manufacturing mostly non-dielectric BOPP films). The sale, while contracted, remained incomplete as necessary final (essentially routine) permissions from the West Bengal Government end for sale/transfer are pending; the assets are reflected in the accounts as "held for sale". Barring unforeseen circumstances, the transaction is now expected to be completed during the current year and the financials and cash flows will be accounted for then. In the interim we have commenced toll manufacturing at this unit for the purchaser as a holding arrangement.

Consumer durables, including refrigerators (the significant client base for Coex Division at Ranjangaon, Maharashtra and Greater Noida, UP) markets witnessed a quick resumption post the lock-down. Our clients could take advantage of the pent-up demand, besides that for larger and more advanced units following changing food patterns and lifestyles with work from home trends. Demand growth was pronounced in the latter part of the year but value addition stayed under pressure due to aggressive competition in the end-product markets. The Company continues to be the leading supplier of sheets and liners for white goods of most leading brands. White goods hold good and long-term potential and continue to attract global players, and we expect to expand our capacity appropriately as needed. Coex division continued to supply cast films for use in surgical drapes and other hygiene products used in Covid-19 applications.

The Company is exercising an option (w.e.f. AY 2020-21) allowed under Section 115BAA of the Income-tax Act, 1961 in terms of the Taxation Laws (Amendment) Ordinance, 2019. This option reduces the effective corporate tax rate in future provided *inter-alia* that the Company will not avail tax exemptions/incentives nor avail set-off of certain losses or depreciation carried forward; the company would not be required to pay MAT. The Deferred Tax Assets/Liabilities as at March 31, 2021 and the estimate of Tax Expense for the year ended 31st March, 2021 have been accordingly re-measured and Rs.533.58 lacs of net Deferred Tax Asset (MAT credit) has been written off in the accounts for the year ended March 31, 2021.

Operations at the subsidiary company, Xpro Global Limited remained insignificant, with trading activities suspended during the year while management seeks trading opportunities for future. Following the extraordinary loss suffered by it last year, on review the value of investment in Xpro Global Limited was written down by Rs.51.00 lacs during the year. Further, the erstwhile subsidiary Xpro Global Pte. Ltd., Singapore, which had no business activity for some time, had applied voluntarily and was accordingly struck off the Register of Companies by the regulatory agency in Singapore, with effect from February 8, 2021. The net proceeds repatriated under this process resulted in a gain of Rs.5.54 lacs which has been accounted for during the year.

DIRECTORS AND KEY MANAGEMENT PERSONNEL

Smt. Madhushree Birla retires by rotation at the ensuing Annual General Meeting. Being eligible, she offers herself for re-appointment in terms of Section 149, 152 and other applicable provisions of the Companies Act, 2013.

At the end of his term, Sri C Bhaskar was re-appointed by the Board as Managing Director & Chief Executive Officer of the Company (on recommendation by the Remuneration and Nomination Committee) whose office shall not be liable to retirement by rotation under the Companies Act, 2013 for a period of three years from January 1, 2021 (subject to necessary approval of the shareholders).

Key management personnel and senior-level progressions include promotion of Sri Himangshu Bakshi as Senior President & Chief Operating Officer, Sri Vinay Agarwal as President (Finance) & Chief Financial Officer and Sri N Ravindran as Joint President & Chief Marketing Officer w.e.f. January 15, 2021. Sri Amit Dhanuka was appointed Company Secretary w.e.f. July 1, 2020 pursuant to the vacancy arising on the superannuation of Sri S. C. Jain.

During the year, seven Board Meetings were convened and held as per details in the annexed Corporate Governance Report. The Independent Directors met separately on February 10, 2021 as required.

STATUTORY AND OTHER MATTERS

Information as per the requirements of the Companies Act, 2013 ("the Act"), our report on Corporate Governance and the Managements' Discussion & Analysis Report form a part of this Report and are annexed hereto.

The Annual Return (Form MGT-7) is available on the Company's website at www.xproindia.com/annual-reports.html. Information on Conservation of Energy, Technology absorption & foreign exchange earnings and outgo is furnished in annexure hereto.

The Board has, on the recommendation of the Remuneration and Nomination Committee, framed a Policy for appointment and remuneration of Directors and Senior Managerial Personnel as well as criteria for determining independence and other relevant matters (policy and criteria annexed herewith; policy also available on weblink: www.xproindia.com/Codes/XILPolicyRemuneration.pdf). Pursuant to the provisions of the Act and SEBI Listing Regulations, 2015, the Board carried out annual evaluation of its performance, and of individual directors (including independent) as well as the evaluation of its Audit, Remuneration and Nomination, and Stakeholders Relationship Committees. The concerned Director did not participate in the meeting while he/she was being evaluated. A questionnaire was circulated to all Directors. The Remuneration and Nomination Committee also evaluated the performance aspects of every Director. The evaluation of the Chairman and of the non-independent Directors was also carried out at the separate meeting of Independent Directors.

The Company has formulated a Policy for determining material subsidiaries as required under Regulation 16(1)(c) of the SEBI Listing Regulations, 2015 (weblink: www.xproindia.com/Codes/XILPolMatSubs.pdf). The Company has only one wholly owned subsidiary viz. Xpro Global Limited, following the voluntary strike-off from the Register of Companies, Singapore of erstwhile subsidiary, Xpro Global Pte. Ltd., Singapore during the year. Performance and Financial Position of the said Subsidiary is annexed herewith in Form AOC-1 as required.

The Company has a system of review of business risks by Senior Executives at plants. Further, although not mandated under applicable regulations, the Company during the year voluntarily constituted a Risk Management Committee of the Board to, inter alia, review business risks. The Board is informed about the identified risks, assessment thereof and minimization procedures and identification of risk elements which in the opinion of the Committee may threaten existence of the Company. The Company has an internal control system commensurate with its size of operations. The internal audit function is carried out by external agencies which report to the Audit Committee. During the course of internal audit the efficacy and adequacy of internal control systems of the Company is also evaluated. Based on the reports, corrective actions are taken and the controls strengthened.

The Company has not granted any loan or issued any guarantee or made any investment to which the provisions of Section 186 of the Act apply. The Company does not invite or accept any Fixed Deposits and accordingly there are none outstanding as on March 31, 2021.

Transactions with related parties during the year were in the ordinary course of business and on arm's length basis. There are no material related party transactions entered into by the Company which may have a potential conflict of interest with that of the Company and to which Section 188(1) of the Act applies. Accordingly Form AOC-2 is not required to be annexed. As required under provisions of the Act and Regulation 23 of the SEBI Listing Regulations, 2015, all proposed Related Party Transactions are placed before the Audit Committee for approval or for omnibus approval as necessary and a statement of all such transactions is also placed for review. The Policy on Related Party Transactions is uploaded on the website www.xproindia.com/Codes/XILPolRelPartyTrans.pdf. The Audit Committee is compliant with Section 177 of the Act and Regulation 18 of SEBI Listing Regulations, 2015; composition details are furnished in the Corporate Governance Report. There was no instance during the year where the Board did not accept any recommendation of the Audit Committee.

There are no significant and material orders passed by the Regulators/Courts/Tribunals which impact the going concern status of the Company and its future operations.

The Company has a vigil mechanism for directors and employees to report genuine concerns in accordance with the Whistle Blower Policy; no employee is denied access to the Audit Committee in this regard. The said Policy provides for safe guards through Protected Disclosures against victimization of persons who use such mechanism, and is displayed on the Company's website. The details of the whistle blower policy are also annexed herewith.

Information required pursuant to Section 197(12) of the Act read with Rule 5 (as amended) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees is annexed. A

Committee is set up to look into complaints under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; no related complaint was filed during the year, and none are pending.

The Company has constituted a Committee on Corporate Social Responsibility (CSR), details of which are furnished in the Corporate Governance Report. While statutory requirements on spending are not applicable to the Company in view of inadequate profit, small steps have always been taken by the Company for social and inclusive development in its local areas; however given the relatively small size of the units and their geographical spread, it has not been practical to yet undertake any significant projects beyond these. The CSR Policy is annexed herewith.

DIRECTORS' RESPONSIBILITY STATEMENT

The CEO and CFO certified the Financial Statements as per Regulation 17(8) of SEBI Listing Regulations, 2015; which have been reviewed by the Audit Committee and taken on record by the Board. Having taken reasonable and bonafide care, pursuant to Section 134(3)(c) of the Act, the Directors indicate that (i) in preparation of the annual accounts, applicable accounting standards had been followed along with proper explanations relating to material departures; (ii) the Directors selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year; (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; (iv) the Directors had prepared the annual accounts on a going concern basis; (v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS' OBSERVATIONS

The observations of Statutory Auditors and Secretarial Auditors are routine and in the nature of general disclosures.

AUDITORS

M/s Walker Chandiok & Co LLP, Chartered Accountants, had been appointed as the Statutory Auditors of the Company at the Twentieth Annual General Meeting held on September 5, 2017 to hold office until the conclusion of the Twenty Fifth Annual General Meeting of the Company i.e. for a term of five years.

Pursuant to Section 204 of the Act, the Company appointed Sri K. C. Khowala, Practicing Company Secretary, to undertake Secretarial Audit of the Company. The Report of Secretarial Auditors is annexed herewith.

Cost Audit for the year ended March 31, 2021 is being carried out by M/s Sanghavi Randeria & Associates, Cost Accountants, Mumbai (Firm Registration No. 00175). The Board, on recommendation by the Audit Committee, has appointed M/s Sanghavi Randeria & Associates, Cost Accountants, Mumbai, to conduct the audit of the cost records of the Company for the year ending March 31, 2022. In terms of Section 148 (3) of the Act their remuneration is required to be approved at the forthcoming Annual General meeting.

ACKNOWLEDGEMENTS

We place on record our sincere appreciation of the valuable cooperation and support received at all times by the Company from all its Bankers, particularly the lead bank, State Bank of India, all concerned Government and other authorities and Shareholders. Relations with employees were generally cordial. We particularly record our appreciation of the sincere and dedicated services made by all employees during what has been a most trying year. We greatly appreciate the trust, faith and confidence of the Shareholders as reposed in the Company.

For and on behalf of the Board

New Delhi
May 25, 2021

Sidharth Birla
Chairman

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The Board has adopted its corporate governance obligations under relevant regulations, listing agreement and laws and, in addition, certain best practices relating thereto. The Board adheres to the conviction that good governance is voluntary and self-disciplining, with the clearest thrust from Directors and management itself, and is ultimately a positive proposition for all stakeholders. The management and organization at Xpro India Limited strives to remain progressive, competent and trustworthy, creating and enhancing value for stakeholders and customers, while reflecting and respecting the best of Indian values in conduct. The Board lays significant emphasis on integrity, transparency and accountability.

THE BOARD OF DIRECTORS

Composition

The Board presently consists of 7 Directors, of whom 4 are independent. The Board collectively has the governance and professional skills, knowledge and experience required to effectively govern and direct the Company. Current regulations require that the Company should have at least one Woman Director and that at least 50% of the Directors should be independent; these norms are met. Independent Directors play an important role in deliberations at the Board level, bring with them their extensive experience in various fields including banking, finance, law, policy and administration, and contribute significantly to Board committees. Their independent role vis-à-vis the Company implies that they have a distinct contribution to make by adding a broader perspective, by ensuring that the interests of all stakeholders are kept in acceptable balance and also in providing an objective view in any potential conflict of interest between stakeholders. Our Board has 4 independent Directors viz. Sri Amitabha Guha (a Banker), Sri Ashok Kumar Jha (IAS (retd.), formerly Finance Secretary, Govt. of India), Sri Utsav Parekh (Merchant Banker), and Sri S. Ragothaman (company director, formerly senior officer at ICICI). The Directors confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified in the regulations and that they are independent of the management.

Independent Directors are given a formal letter of appointment (copy available on Company's website) which, *inter alia*, explains their basic role, functions, duties and responsibilities. The Company has drawn up a Familiarization Program for Independent Directors with a view to familiarize them with the Company, their roles, rights and responsibilities, nature of industry where the company operates, company's business model etc. (relevant details of familiarization programs are disclosed on the Company's website at weblink: www.xproindia.com/Codes/ XILIDFmlrznProg.pdf). The Remuneration & Nomination Committee has laid down the framework for performance evaluation of Independent Directors (Annexed herewith) and such evaluation is done by the Board (excluding the Director being evaluated) and based on the evaluation, the Board determines the continuation/extension of the term of Independent Director. Performance evaluation of Non-Independent Directors and the Board as a whole and Chairman of the Company is also done by the Independent Directors as per relevant regulations. The Board has also formulated a plan for orderly succession of Board members and the senior management. As a policy, and as per the Articles of the Company, the identities, positions, duties and responsibilities of the Chairman and Chief Executive Officer are kept separate and appropriately defined. These roles are harmonizing but distinct with the Chairman responsible for managing the business of the Board and the Chief Executive responsible for managing the businesses of the Company. Accordingly the Chairman's position, even where whole-time, has been considered non-executive in nature as his role specified by the Board does not cover day-to-day or routine managerial tasks and responsibilities. The management of the Company is vested in executive director(s) appointed for the purpose, subject to the general supervision, control and direction of the Board. Sri C Bhaskar is the Managing Director & Chief Executive Officer accountable to the Board for actions and results and is the only executive director who holds executive authority and responsibilities. Sri Sidharth Birla and Smt. Madhushree Birla represent promoters and are related to each other; none of the other Directors are related to each other or to promoters. Details of Directors are given below by category, attendance, directorships (public limited companies only) ("B"), membership and chairmanship ("M" & "Ch") of SEBI specified committees, sitting fees (including for committees) paid during the year, and shareholding in the Company as on March 31, 2021.

As required by law, the appointment(s) and remuneration(s) of any executive director(s) and of the Chairman (if whole-time) requires the approval of members; such approvals are for a period of not more than 5 years and, when eligible, they can be re-appointed at the end of the term. Independent Directors, as required under the Companies Act, 2013, are appointed for a term of upto 5 years in Annual General Meeting, and are eligible for re-appointment but cannot hold office for more than two consecutive terms (becoming eligible again after the expiry of three years from ceasing to be an independent director). All the other Directors retire every year and, when eligible, qualify for re-appointment. Nominees of Financial Institutions (if any) are not considered independent and do not usually retire by rotation. The Board has chosen not to, in the usual course, propose appointment or re-appointment of a Director or Executive Director who has completed 80 & 70 years of age respectively. Specified details are provided in the notice for any Directors' appointment or re-appointment.

Director / Category	Attendance	B / M / Ch	Fees (Rs.)	Shareholding
Independent				
Sri Amitabha Guha	7 / 7	2 / 3 / -	8,45,000	-
Sri Ashok Kumar Jha	7 / 7	3 / 3 / 1	6,40,000	-
Sri Utsav Parekh	5 / 7	9 / 7 / 4	6,95,000	50,801 (0.43%)
Sri S. Ragothaman	7 / 7	6 / 4 / 2	7,55,000	68,493 (0.58%)
Smt. Vijaya Sampath *(till June 17, 2020)*	1 / 1	-	10,000	
Representing Promoters				
Smt. Madhushree Birla	7 / 7	3 / - / -	5,60,000	125 (neg.%)
Sri Sidharth Birla	7 / 7	4 / 1 / -	Nil	2,01,875 (1.71%)
Executive (Managing Director)				
Sri C Bhaskar	7 / 7	4 / 2 / 1	Nil	58,581 (0.50%)

- *Sri Sidharth Birla & Sri C Bhaskar are employed by the Company;*
- *Fees include those for committee meetings;*
- *Details of skills/experience/competence of Directors are given in annexure;*

Duties & Responsibilities

The Board's fundamental concentration is on strategic issues and approval, policy and control, and delegation of powers. The Board has specified a schedule of major matters (covering those required under law or regulations) that are reserved for its consideration and decision including, inter alia, review of corporate performance, reporting to shareholders, approving annual and capital budgets, monitoring the implementation and effectiveness of the governance practices, appointing key executives and approving their remuneration, monitoring and managing potential conflicts of interest, ensuring integrity of Company's accounting and financial reporting system internal systems of control, reviewing Board evaluation framework, setting up corporate cultural values and high ethical standard, treating all shareholders fairly and exercising objective independent judgment on corporate affairs.

The respective roles of the Board and the Management are demarcated and appropriately specified. The management is required to (a) provide necessary inputs and basis to support the Board in its decision making and evaluation process in respect of the Company's strategy, policies, targets and code of conduct; (b) manage day-to-day affairs of the company to best achieve targets and goals approved by the Board; (c) implement all policies and the code of conduct, as approved by the Board; (d) provide timely, accurate, substantive and material information, including on all financial matters and exceptions, if any, to the Board and/or its committees; (e) be responsible for ensuring strict and faithful compliance of all applicable laws and regulations; and (f) implement sound, effective internal control systems and the Risk Management Procedure framed by the Board. The Board has adopted a Code of Conduct for Directors and Senior Executives and laid down (i) a general Code of Conduct for employees; (ii) Policy for Prevention of Sexual Harassment at Work place; (iii) Whistle Blower Policy; and (iv) CSR Policy. The Board has also laid down a Code of Conduct to Regulate, Monitor and Report Trading by Employees and other Connected Persons, which is administered by the Compliance Officer. The Board requires the organization to endeavor to conduct business and develop relationships in a responsible, dignified and honest way and these codes aim to establish the policy framework. Management of the organization and conduct of affairs of the Company lie with the Managing Director & Chief Executive Officer, who heads the management team. The Sr. President & Chief Operating Officer holds operational responsibility for day-to-day activities of the divisions under his charge. The President (Finance) & Chief Financial Officer, heads the finance function discharging the responsibilities entrusted to him under regulations and by the Board. These senior officers are collectively entrusted with ensuring that all management functions are carried out effectively and professionally.

BOARD MEETINGS AND COMMITTEES

Board meetings are typically scheduled well in advance and are normally held at Company offices, including at plants, or through video conferencing where permitted by applicable laws/guidelines. The Board meets at least once after the end of each quarter to, inter-alia, review all relevant matters and consider and approve quarterly financial results. The Board meets on ad-hoc basis to receive presentations on and deliberate upon strategic and operational plans of the management. Agenda for all meetings are prepared by the Secretary in consultation with the Chairman and papers are circulated to all directors in advance. Directors have access to the Secretary's support and all information of the Company and are free to suggest inclusion of any relevant matter in the Agenda. Senior officers provide presentations/clarifications whenever required. To enable fuller and detailed attention to relevant matters, the Board from time to time delegates specific issues and matters to committees which report to it. However no matter which under law or the Articles may not be delegated by the Board, or requires its explicit approval, is left to the final decision of any committee. During the year the Board met 7 times - on April 7, June 24, August 14, October 3, November 9 & December 31, 2020 and February 10, 2021.

Independent Directors' Meeting held on February 10, 2021 to address matters prescribed both under the Act & SEBI Regulations, was attended by all independent directors.

Audit Committee

The terms of reference of the Audit committee, specified by the Board in writing, includes the whole as specified in the Companies Act and in listing regulations, including review of audit procedures and techniques, financial reporting systems, reviewing and approving related party transactions, scrutiny of inter-corporate loans and investments, review of the functioning of the Whistle Blower mechanism, review of Management discussion and analysis report, Management letters/Letters of internal control weakness from Auditors, internal Audit Reports relating to internal control weaknesses, internal control systems and procedures besides ensuring compliance with relevant regulatory guidelines. The committee members are all independent directors collectively having skills and requisite knowledge in finance, accounts and company law. The committee recommends the appointment of CFO, as and when required, external, internal and cost auditors and their fees and other payments and also takes an overview of the financial reporting process to ensure that the financial statements are correct, sufficient and credible. Any financial reports of the Company can be placed in the public domain only after review by the Audit committee. The reports of the statutory as well as internal auditors are regularly reviewed, along with comments and action-taken reports of management. The committee has explicit authority to investigate any matter within its terms of reference and has full access to the information, resources and external professional advice which it may require. The committee comprises Sri S. Ragothaman (as its Chairman), Sri Utsav Parekh and Sri Amitabha Guha, and is mandated to meet at least four times in a year to consider the final audited accounts and to review each quarter Un-audited Financial Results and the limited review reports before they are put up to the Board. The committee met 4 times during the year on June 24, August 14 & November 9, 2020 and February 10, 2021 and the meetings were attended by all members. The Chairman of the Audit Committee was unable to be present at the last Annual General Meeting held on September 29, 2020 due to technical glitches which affected his video link.

Remuneration & Nomination Committee

The Remuneration & Nomination Committee (which discharges the functions of the Nomination and Remuneration Committee as envisaged under Sec.178 of the Companies Act, 2013 and SEBI Listing Regulations) comprises of a majority of independent directors. The Committee helps ensure that non-executive Directors make decisions on the appointment, remuneration, assessment and progression of Executive Directors and senior officers; Chairman's remuneration is recommended by the Committee to the Board and compensation to other non-executive Directors is a subject only for the whole Board. The Committee has devised a policy on Board diversity and when required, makes recommendations to the Board on filling up Board vacancies that may arise from time to time or on induction of further Directors to strengthen the Board. The Committee has also formulated criteria for determining qualifications, positive attributes and independence of a director and recommended to the Board a policy for the remuneration of the Directors, Key Managerial Personnel and other employees as well as criteria for evaluation of Independent Directors and the Board (Remuneration Policy and the Evaluation criteria are annexed herewith). The Committee is also entrusted with discharging the functions of a Compensation Committee as envisaged in SEBI ESOPs Guidelines. The committee comprises of Sri Amitabha Guha, (Chairman), Sri Sidharth Birla and Sri Utsav Parekh. The committee met thrice during the year. All members attended the Committee meetings held on June 17 & November 7, 2020 and February 9, 2021.

A Working Group comprising of Chairman of the Remuneration & Nomination Committee and Managing Director & Chief Executive Officer has been set up to examine and study and support the Board on aspects of Succession Planning.

All directors other than the Chairman and any executive director(s) are paid sitting fees for meetings of the Board or its committees attended: Rs.50,000 each per meeting of the Board (however in view of the extenuating circumstances and the complex difficult situation arising from the pandemic, additional time, participation, guidance and effort was sought from Directors keeping in view the size of and issues facing the Company; hence an enhanced fee of Rs.80,000 each per Board Meeting attended was paid to eligible directors, as a special case during 2020-21), Rs.50,000 each per Independent Directors' Meeting, Rs.30,000 each per meeting of the Audit Committee, Rs.25,000 each per meeting of the Remuneration & Nomination Committee, Rs.30,000 each per meeting of the Committee of Directors, Rs.25,000 each per meeting of the new Risk Management Committee and Rs.5,000 each per meeting of the Stakeholders' Relationship Committee. A fee of Rs.12,500 is paid for each meeting of the Working Group. No fee is paid for meetings of the CSR Committee. Members have approved the payment of remuneration to Sri Sidharth Birla, Chairman, re-appointed with effect from March 1, 2020 for 3 years, by way of a Salary, commission (not exceeding 2% of net profits), perquisites and other benefits/allowances (as per the rules of the Company) as may be decided by the Board of Directors from time to time subject in aggregate to a maximum of 5% of the net profits of the Company calculated in accordance with the provisions of Section 197 of the Companies Act, 2013 or any re-enactment thereof, as may be applicable (in aggregate subject to minimum remuneration as per limits specified in Part II Section II Para (A) of Schedule V of the Companies Act, 2013 or any re-enactment thereof, as may be applicable). Accordingly he is now paid a salary of Rs.8.00 lacs per month and other benefits/allowances as per rules of the Company. The Board has approved payment of remuneration to the Managing Director & Chief Executive Officer, Sri C. Bhaskar, re-appointed with effect from January 1, 2021 for 3 years, subject to approval by the shareholders at the ensuing Annual General Meeting, comprising salary, commission (not exceeding 2% of net profits), perquisites and other benefits/allowances as may be decided by the Board from time to time, subject in aggregate to a maximum of 5% of the net profits of the Company as per relevant calculation (in aggregate subject to minimum remuneration upto Rs.20 lacs per month or such higher sum as may be permitted vide any statutory modification or re-enactment). Accordingly, he is now paid a salary of Rs.7.60 lacs per month plus benefits and allowances as per Company rules; a lumpsum bonus of Rs.15.50 lacs was paid to him during the year. There are no severance fees (routine notice period not considered as severance fees) or other benefits.

Stakeholders Relationship Committee

The Committee is empowered to consider and resolve the grievances of security holders of the Company as well as to discharge all functions of the Board in connection with transfers and issue of certificates and record keeping in respect of the securities issued by the Company from time to time, as well as to oversee the performance of the Registrar and Share Transfer Agents. Any shareholder grievance is referred to this Committee in the first instance for earliest resolution of a problem. The Company has over 19,300 shareholders and with a view to expedite share transfers (as may be permitted under Law/Regulations), the Registrar and Share Transfer Agents of the Company, M/s MCS Share Transfer Agent Limited, has been authorized to effect share transfers/transmissions, etc. Sri Amit Dhanuka, Secretary, is the Compliance Officer under relevant regulations. The committee is chaired by Sri Utsav Parekh and includes Sri Amitabha Guha and Sri C. Bhaskar. The Committee met on June 16, August 14, November 7, 2020 and February 9, 2021. The meeting of June 16, 2020 was attended by Sri Utsav Parekh and Sri C Bhaskar, while the other meetings were attended by all members. The Company/RTA did not receive any complaints/queries during the year from shareholders (directly or through regulatory bodies); as of March 31, 2021 (a) all complaints/queries were resolved and none were pending and (b) No share transfer applications were pending for registration.

Committee of Directors

A Committee of Directors comprising of Sri Sidharth Birla, Sri Ashok Kumar Jha, Sri Utsav Parekh and Sri C. Bhaskar attends to matters specified and/or delegated appropriately within the extent permitted in law, by the Board from time to time. The Committee meets only as and when required to attend to exigent matters so delegated to it. The Committee met once during the year (on March 30, 2021); all members attended the meeting.

Corporate Social Responsibility Committee

The Board of Directors constituted a Corporate Social Responsibility ("CSR") Committee, in line with the provisions of the Companies Act, 2013 to (i) formulate and recommend to the Board, a CSR Policy which shall indicate activities to be undertaken by the Company; (ii) recommend the amount of expenditure to be incurred on such activities and (iii) monitor implementation of the CSR Policy from time to time. The Committee comprises of Smt. Madhushree Birla, as Chairperson, Sri Utsav Parekh and Sri C Bhaskar. Sri H. Bakshi, Sr. President & Chief Operating Officer is management invitee at the meetings of the CSR Committee. All members attended the meeting of June 16, 2020.

Risk Management Committee

The Board of Directors have constituted a Risk Management Committee (“RC”), though not yet mandated for the Company under applicable SEBI Listing Regulations. The broad role and responsibilities of RC are to (i) submit the Risk management Plan to the Board for its approval and adoption; (ii) oversee the risk management infrastructure; (iii) advise the Board on risk strategy and mitigation plans; (iv) address risk management and governance in strategies for growth; (v) consult external experts, where necessary and (vi) review risk disclosure statements in any public documents or disclosure. The Committee comprises of independent directors, Sri S. Ragothaman, as Chairman, and Sri Amitabha Guha, Sri C Bhaskar, Managing Director & Chief Executive Officer, Sri H. Bakshi, Sr. President & Chief Operating Officer and Sri Vinay Kumar Agarwal, President (Finance) & Chief Financial Officer. Manufacturing units and functional management teams are represented as permanent attendees at the meetings of the RC. The Committee meeting on January 25, 2021 was attended by all the members and the permanent attendees.

SHAREHOLDER INFORMATION AND RELATIONS

The principal source of detailed information for shareholders is the Annual Report which includes, inter-alia, the Reports of the Directors and the Auditors, Audited Accounts, besides this report and Managements' Discussion & Analysis Report. The Management’s statement on integrity and fair presentation of financial statements is provided to the Board as part of the accounts approval process. Shareholders are intimated through the print media about quarterly financial results, besides significant matters, within time periods stipulated from time to time by Stock Exchanges. Annual General Meetings of the Company are held at its Registered Office at Barjora-Mejia Road, P.O. Ghutgoria, Tehsil: Barjora, District: Bankura 722 202, West Bengal. The last AGM was held on September 29, 2020 through Video Conferencing/Other Audio Video Means, while the preceding two AGMs were held at the Registered Office on August 3, 2019 and August 10, 2018. The next AGM shall be held as per the advisories issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India through Video Conferencing/Other Audio Video Means as per notice in this Annual Report and the Record Date will also be as per the notice. The last AGM was attended by all Directors except Sri S Ragothaman. Special Resolutions were passed at the AGM held on August 10, 2018 for re-appointment of Sri C. Bhaskar, Managing Director & Chief Executive Officer of the Company for a period of three years with effect from January 1, 2018 and approval of Remuneration payable to him; at the AGM held on August 3, 2019 for re-appointment of Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri S. Ragothaman and Sri Utsav Parekh as non-executive Independent Directors; and at the AGM held on September 29, 2020 for re-appointment of Sri Sidharth Birla, Chairman, in the whole time employment of the Company with effect from March 1, 2020 and approval of Remuneration payable to him. Special Resolution in respect of sale/transfer and/or otherwise disposal of the whole or substantially the whole of the Company’s Pithampur Unit was passed (duly complying with procedures prescribed under the Act) by the Members by Postal Ballot on February 23, 2018. Sri K. C. Khowala was appointed as Scrutinizer to conduct the postal ballot exercise. Details of voting pattern is available on the Company’s website www.xproindia.com. Special Resolution in respect of sale/transfer and/or otherwise disposal of the whole or substantially the whole of the Company’s Biax Unit-I located at Barjora, Distt. Bankura, West Bengal was passed by the Members at the extra ordinary general meeting held on April 16, 2019. The Company keeps shareholders informed via advertisements in appropriate newspapers of all relevant dates and items requiring notice. M/s MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata 700 045 are the Registrars and Share Transfer Agents. The general address for correspondence by shareholders is the Company Secretary (Tel. (033) 40823700; extn.1266) at Birla Building (2nd Floor), 9/1, R.N. Mukherjee Road, Kolkata 700 001; the designated e-mail ID for grievance redressal is cosec@xproindia.com (of Compliance Officer) and mcssta@rediffmail.com (of Registrar and Share Transfer Agents). Shareholders may also write to the Registrars directly in matters relating to transfers etc. The Company publishes its quarterly results in English (usually The Financial Express - all editions) and relevant vernacular print media (usually Aaj Kal) and shall continue to do so, and hold its Annual General Meetings and pay dividends (if any) within time limits prescribed by law or regulations. The Company's web-site where relevant information including official news releases, if any, are displayed is at www.xproindia.com. No presentation has been made to institutional investors etc. The financial year of the Company is April 1 to March 31. The Company's Equity Shares are listed at National Stock Exchange of India Limited, "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai 400051 (Symbol: XPROINDIA, Series EQ) (necessary listing fee has been paid as due) and are admitted for trading on the BSE Limited, Corporate Relationship Department, 1st Floor, New Trading Ring, Rotunda Building, PJ Towers, Dalal Street, Fort, Mumbai 400 001, under the category of "Permitted Securities" (Stock Code 590013). The shares are to be compulsorily traded in dematerialized form (ISIN number INE 445C01015). 97.44% of the Company's paid up equity share capital has been dematerialized upto March 31, 2021. The 1,006 unclaimed shares held by 45 shareholders as on April 1, 2020 lying in "Xpro India Limited - Unclaimed Suspense Account" maintained in dematerialized form, as per the Listing Regulations, have been transferred to IEPF Suspense A/c pursuant to section 124(6) of the Companies Act, 2013 and Rules made thereunder and no shares remain unclaimed to the credit of this account. Also 71,661 shares held by 3,248 shareholders have been transferred to IEPF Suspense A/c during the year as required u/s 124(6) of the Companies Act, 2013 and Rules made thereunder, making a total of 4,23,281 shares pertaining to 22,203 shareholders in the IEPF Suspense A/c. During the year, 4 shareholders had been issued 187 shares out of the IEPF Suspense A/c and accordingly, there were 4,23,094 shares belonging to 22,199 shareholders in the IEPF Suspense A/c as on March 31, 2021. Voting rights on these shares remain frozen till rightful owner of such shares claims the shares.

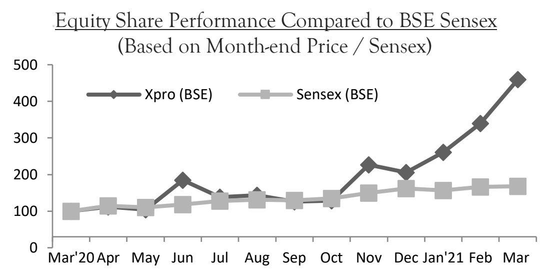
Shareholding distribution, pattern and high/low market price data are given below.

Type of Shareholder	Nos.	% by amount
Banks, FI's, Insurance Companies	11	0.01
Central/State Government	1	0.03
Domestic Companies	207	53.76
Mutual Funds (including UTI)	5	0.06
Non-residents	110	0.96
Resident individuals/others	18,973	45.18
	19,307	**100.00**

Nominal Value of Shareholding	Nos.	% by amount
Upto Rs.5,000	18,371	8.64
Rs.5,001 to Rs.20,000	661	5.84
Rs.20,001 to Rs.1,00,000	198	7.01
Rs.1,00,001 and above	77	78.51
	19,307	**100.00**

Note: aggregate of Public shareholding: 49.98%

	NSE		BSE	
Share Price by Month	**High**	**Low**	**High**	**Low**
April 2020	19.85	**13.25**	18.60	**14.55**
May	19.00	14.50	20.35	15.30
June	34.00	15.60	34.80	15.60
July	30.00	22.20	30.75	21.60
August	24.90	21.00	25.60	21.30
September	23.75	20.45	23.40	20.40
October	23.10	18.75	23.00	19.00
November	42.00	20.90	42.50	20.35
December	39.00	32.50	38.80	32.55
January 2021	45.45	32.30	45.40	34.45
February	59.85	41.10	60.15	41.75
March	73.05	49.85	**74.40**	49.65
During the Financial Year	**73.05**	**13.25**	**74.40**	**14.55**



During the year, Brickwork Ratings India Pvt. Ltd. reaffirmed ratings as BWR BBB- with Stable outlook for Company's Fund-based limits of INR 178.34 Crores (Long Term) and BWR A3 for Company's Non-fund-based limits of INR 37.00 Crores (Short Term) [rating for previous year: BWR BBB- (Stable) for Company's Fund-based limits of INR 174.25 Crores (Long Term) and BWR A3 for Company's Non-fund-based limits of INR 37.00 Crores (Short Term)].

The Company did not receive any complaint, during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaint is pending as at end of the financial year.

Total fees for all services, paid by the Company, to statutory auditors is disclosed in the notes to the accounts.

COMMODITY RISKS/FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is exposed to risks of fluctuations in prices of raw-materials and finished goods. The Company is also exposed to risks arising from fluctuations in exchange rates of the Euro/US$ vis-à-vis the Rupee as a portion of the Company's payables and receivables are denominated in these currencies. The Company pro-actively manages these risks through inventory management, vendor development, tracking the currency parity scenario and suitable forward cover in consultation with bankers. The robust marketing network backed by the reputation for quality and service helps mitigate the impact of price fluctuations on finished goods. The Company has in place a risk management frame-work for identification, monitoring and mitigation of such risks. The Company is not dealing/trading in any commodities/exchanges, and hence does not have any consequent exposure to commodity price risk.

MANDATORY AND NON-MANDATORY PROVISIONS

There have been no material transactions of the Company with its promoters, Directors or the management, their subsidiaries or relatives etc., except for transactions of routine nature and as disclosed in the notes on accounts. There have been no potential conflict(s) with the interests of the Company.

There has been no instance of non-compliance by the Company, nor any strictures or penalties imposed by the Stock Exchange(s) or SEBI or any Statutory Authority on any matter related to capital markets. Mandatory requirements (except where not relevant or applicable) of SEBI regulations have been adopted. Of non-mandatory suggestions, those relating to a Chairman's Office, separate posts of Chairman and Managing Director/CEO, audit qualifications and reporting by Internal Auditors directly to Audit Committee have been adopted. Sending 6 monthly information to each shareholder household has not been adopted. This Report also represents the Company's philosophy on corporate governance. Auditors' certification as required forms a part of this Annual Report.

For and on behalf of the Board

New Delhi
May 25, 2021

Sidharth Birla
Chairman

AFFIRMATION OF COMPLIANCE WITH THE CODE OF CONDUCT FOR DIRECTORS AND SENIOR EXECUTIVES

I declare that the Company has received affirmation of compliance with "Code of Conduct for Directors and Senior Executives" laid down by the Board of Directors, from all the Directors and Senior Management personnel of the Company, to whom the same is applicable, for the financial year ended March 31, 2021.

New Delhi
May 25, 2021

C. Bhaskar
Managing Director & Chief Executive Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Xpro India Limited
Barjora – Mejia Road,
P.O. Ghutgoria, Tehsil: Barjora,
Dist: Bankura 722 202, West Bengal

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Xpro India Limited having CIN L25209WB1997PLC085972 and having registered office at Barjora – Mejia Road, P.O. Ghutgoria, Tehsil: Barjora, Dist: Bankura 722 202, West Bengal (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr.No.	Name of Director	DIN	Date of appointment in Company
1	Sidharth Birla	00004213	10.09.1998
2	Madhushree Birla	00004224	21.01.2004
3	Amitabha Guha	02836707	24.03.2011
4	Ashok Kumar Jha	00170745	26.07.2013
5	Utsav Parekh	00027642	15.09.1999
6	S. Ragothaman	00042395	17.03.2000
7	C Bhaskar	00003343	01.01.2001

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Name: K. C. Khowala
Company Secretary in practice
Membership No. A4695
CP No.: 2421
UDIN: A004695C000249588

Kolkata
May 6, 2021

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Xpro India Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 17 May 2021.
2. We have examined the compliance of conditions of corporate governance by Xpro India Limited (the 'Company') for the year ended on 31 March 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended March 31, 2021.

   We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

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

Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 21507568AAAACH1186
Place: Faridabad
Date: 25 May 2021

BOARD OF DIRECTORS *(Annexure to Corporate Governance Report)*
(As on the date of report)

Sri Sidharth Birla *(DIN: 00004213), Chairman*
Industrialist with experience in industry and business of about 43 years, is a Science Honors Graduate and holds a Master's Degree in Business Administration from IMEDE (now IMD), Lausanne, Switzerland. Has attended management programs at the Harvard Business School, Boston, USA, including the Owner/President Management Program, Making Corporate Boards More Effective, etc. Associated with the businesses of the Company since 1984. Presently Independent Director on the Board of listed entity, Kanoria Chemicals & Industries Limited. He is also Director of Birla Brothers Private Ltd., Central India General Agents Ltd., iPro Capital Ltd., and Alpha Capital Resources Pte. Ltd., Singapore.

Smt. Madhushree Birla *(DIN: 00004224)*
Graduate from University of Ahmedabad, was first appointed on the Board of the Company in the year 2004. She has served as Director and Advisor of various Corporate Bodies at different times. Has attended management program at the Harvard Business School, Boston, USA, on Making Corporate Boards More Effective. She is presently Executive Director of iPro Capital Ltd., and is also engaged with social and philanthropic bodies. She is on the Board of Directors of Alpha Capital Resources Pte. Ltd., Singapore, Intellipro Finance Pvt. Ltd. and Xpro Global Ltd.

Sri Amitabha Guha *(DIN: 02836707)*
Holds a Master's Degree in Science from University of Kolkata. He has expertise in finance and banking spanning over 3 decades. Formerly Managing Director of State Bank of Hyderabad, Deputy Managing Director of State Bank of India and Chairman of The South Indian Bank Ltd. He is presently Independent Director of Ramkrishna Forgings Ltd. (listed entity) and Director of Khazana Jewellery Private Ltd. and Support Elders Private Ltd.

Sri Ashok Kumar Jha *(DIN: 00170745)*
An IAS Officer -1969 batch, he has had a 39 years stint in the Civil Services and held crucial positions in State and Central Government, with wide experience in foreign policy, industrial promotion, international trade, as well as economic affairs and finance. He retired from government service as the Finance Secretary, Government of India, having also served as Secretary (Economic Affairs), Secretary (Department of Industrial Policy and Promotion), etc. He subsequently had a two-year stint as Executive President of Hyundai Motor India, and is presently Independent Director of Minda Corporation Ltd. and Setco Automotive Ltd. (both listed).

Sri Utsav Parekh *(DIN: 00027642)*
Holds a Bachelor's Degree in Commerce with honours. He has vast and continuing experience of about 40 years as Merchant Banker, and in Stock Broking and Financial Services. He is a member of the Calcutta Stock Exchange Ltd. He is presently Non-Executive Chairman of SMIFS Capital Markets Ltd., non-executive Director of Eveready Industries India Limited (listed entities) and independent director of listed entities Spencer's Retail Limited, Texmaco Infrastructure & Holdings Ltd. and Texmaco Rail & Engineering Ltd., and is also a Director on the Boards of Bengal Aerotropolis Projects Ltd., Indian Chamber of Commerce, Calcutta, Lend Lease Company (India) Ltd., Nexome Real Estates Private Ltd. and SMIFS Capital Services Ltd. He is a Partner of Stewart & Co., Catch 22 Informatics LLP, Chowringhee Planners LLP, Ellora Agro LLP, Nexome Realty LLP and Nexome Sports LLP.

Sri S Ragothaman *(DIN: 00042395)*
A Commerce Graduate and Chartered Accountant. Presently a self-employed professional. Formerly a senior official of ICICI Ltd.; he has to his credit vast experience of over 44 years in the field of Finance. He is presently also Independent Director of listed entities National Peroxide Ltd., and The Bombay Dyeing & Manufacturing Company Ltd. He is also a Director of ABT Finance Ltd. and Xpro Global Ltd.

Sri C Bhaskar *(DIN: 00003343), Managing Director & Chief Executive Officer*
A Chemical Engineer and a post-graduate from IIM, Calcutta, with experience of over 42 years in Consulting, Industry, Business and Financial Management including over 37 years with the businesses of the Company. Has worked in areas of Corporate and Business planning, Diversification/Mergers/Acquisition/Disinvestment, Marketing, Operations and Factory Management, and as Divisional / Business Head. He has attended management development programmes at the

Indian School of Business and other Institutions. He is also Independent Director of listed entities Kriti Industries (India) Ltd. and Kriti Nutrients Ltd. and a Director of Xpro Global Ltd. and Holland & Sherry India Pvt. Ltd.

Core skills/ expertise/competencies of the Board:

Sl.	Skills / Expertise / Competencies	Directors
1	Leadership Qualities & Behavioural Skills	Sri Sidharth Birla, Smt. Madhushree Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
2	General industry knowledge, experience and understanding of the socio-political and economic environment	Sri Sidharth Birla, Smt. Madhushree Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
3	Specific industry knowledge and experience	Sri Sidharth Birla and Sri C. Bhaskar
4	Financial Expertise	Sri Sidharth Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
5	Risk Management	Sri Sidharth Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
6	Understanding of relevant laws, rules, regulations and policies & the legal and regulatory environment	Sri Sidharth Birla, Smt. Madhushree Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
7	Corporate Governance	Sri Sidharth Birla, Smt. Madhushree Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
8	Global Experience / International Exposure	Sri Sidharth Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
9	Corporate Social Responsibility	Sri Sidharth Birla, Smt. Madhushree Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar

For and on behalf of the Board

New Delhi
May 25, 2021

Sidharth Birla
Chairman

MANAGEMENTS' DISCUSSION & ANALYSIS REPORT

We have pleasure in submitting the Managements' Discussion & Analysis Report ("MDA") on the Company's businesses. We have included discussions on all specified matters, to the extent relevant and within boundaries that in our opinion are reasonably imposed by the Company's strategic and competitive position. The financial year just ended was one like never before. The spread of the Corona virus since December 2019 affected economic activity world-wide and with WHO declaring a pandemic in March 2020, varying degrees of restrictions to curb spread were introduced. Imposition of lockdowns resulted in disruption of economic activity and resulted in a sharp contraction of 15.7 % in GDP in the first half but driven by the supportive fiscal and monetary measures taken by the Government and the RBI and the pent-up demand, recovered early in the third quarter onwards to end the year at an overall contraction of 7.7%. Agriculture remained the silver lining with manufacturing and construction among the worst hit. Our operations too were temporarily suspended from March 24, 2020 following imposition of general lockdown which was extended in multiple phases upto May 31, 2020. With Government encouraging resumption of economic activity we could resume operations in a phased manner under rigorous guidelines as permitted.

Crude prices in the early part of the year fell to 20-year lows as pandemic induced plant shutdowns reduced global demand with snarled shipping lines further restricting movement, but have been steadily increasing since economies resumed and oil producers restricted production. Polymer prices followed a similar trend, falling with crude oil and weak demand, and then rising significantly with increasing demand on resumption of productive activity. Polymer plant closures across the globe and shipping container shortages further curtailed availability. The Rupee witnessed a decline of 4% vis-à-vis the Euro over the year, impacting the external commercial borrowing which is Euro denominated, but strengthened by about 3.5% against the US$ helping lessen impact of increasing import prices.

Our performance reflected the overall economic climate, impact of strategic steps implemented during the last few years and our position as a key supplier to, the growing white goods and dielectrics segments. Post a lackluster first quarter, with effective total loss of productive time, the rest of the year saw a rebound in demand conditions and total production (including for captive consumption) during the year was lower by only 6% at 28,478 MT (30,298 MT). Net sales of an improved product mix was 5.2% higher at Rs.373.35 Crores. Exports were higher at Rs.954.51 lacs (Rs.614.16 lacs previous year) with Biax Division near doubling export value and Coex division at near previous year levels. SOPs were put in place at manufacturing units to ensure safe operations through the pandemic; production costs were controlled with productivity enhancements. Interest and other finance costs were lower at Rs.1731.52 lacs against Rs.1858.27 lacs in the previous year. Profit before Depreciation, exceptional items and tax was Rs.2594.34 lacs (Rs.1343.09 lacs previous year). Depreciation of Rs.1239.69 lacs (Rs.1221.34 lacs) results in a profit before exceptional income and tax of Rs.1354.65 lacs against Rs.121.75 lacs in the previous year. Changes in key financial ratios (net profit margin from 0.34% to 3.63% and interest coverage from 1.07 to 1.75), as a consequence of improved operating and financial performance and reduction in total borrowing, reflect a significant (as defined) improvement over the previous year.

During the year, we engaged Deloitte Touche Tohmatsu India LLP for an assignment aimed towards identifying and driving various sustainable cost reduction and operational efficiency improvement initiatives at our production units. The engagement is still in its early phases and results are expected to be derived in subsequent periods.

A core step in our strategic intent to rationalize activities remained incomplete as certain necessary routine permissions from the State Government agencies for proposed transfer of Biax Division Unit I were not yet received. The transaction is now expected to be completed during the year. The proceeds (net of costs) will be used to reduce borrowings and for operational needs of the Company. The Company has recently commenced toll manufacturing for the intending purchaser of the unit as an interim arrangement pending formal approvals to transfer.

We believe all our businesses are backed by necessary skills and expertise; our core competency can be seen to lie in the extrusion field, particularly co-extrusion. Our market standing is generally representative of the competitiveness of our core operations and high quality of our products and services.

It may be mentioned that the plastics industry as a general class, particularly in the context of single-use plastics, has been kept entangled with environmental concerns. However, during the pandemic plastics have generally been recognized as a beneficial, safe material; this should bode well for the way plastics are perceived in the future. None of the Company's product ranges have, however, been linked with these environmental concerns.

Company and Industry Structure

Company operations are focused around our core competencies viz. Polymers Business, structured into 2 operating Divisions. Each operating division is kept self-sufficient managerially to perform its own duties and functions, with support provided at a corporate level as and when required. A summary of performance is given below.

POLYMERS BUSINESS	2021		2020	
	Production MT	**Net Sales Rs. Crores**	Production MT	Net Sales Rs. Crores
Biax Division	**3,353**	**91.35**	3,336	81.09
Coex Division	**25,125**	**282.00**	26,962	273.75
	28,478	**373.35**	30,298	354.84

(Net of inter-unit adjustments; Production includes sheet for captive consumption for forming)

The industry structure in the field of polymers processing is spread wide, from miniscule to fairly large capacities. There is usually no direct thumb-rule in terms of "size vs. profitability"; it is possible for players to work out their own viable economics depending upon various factors, mainly a combination of product mix and market segment or niche. Supply chain linkages to clients play an additional role for some. Since polymers are freely available at prices synchronized to global prices, market focus besides technical and service competence has been the key to success. It is fair to say that the Company is a mid-sized player with significant strengths in its market segments, but remains subject to usual market pressures. In the overall, the Company's operations are relatively capital intensive; raw material and power constitute the largest proportions of direct costs. We believe that opportunities are substantial both in terms of market growth and product diversity and that threats from replacement products are not significant. The main raw materials used by the Company are Thermoplastic Resins (such as Polypropylene, including special grades for dielectric films, Styrenic Polymers and LD/LLD Polyethylene, etc.).

We firmly recognize that total customer satisfaction is the key to our success. Our aim is to build sound customer relationships through creation of value for them, and in the process earn an equitable return for ourselves. Quality is built into products through appropriate manufacturing technology and work methods. Manufacturing at all units is carried out by suitably qualified personnel under strict quality standards. Continuous product development for specific applications and equipment up-gradation has helped us in proactively developing technically sustainable solutions with clear customer benefits. Integrated Management Systems (IMS) covering Quality, Environmental Policies and Safety & Health standards at Biax Division, Barjora have been duly certified under ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. Similarly, Quality Management Systems at Coex Division manufacturing unit at Greater Noida are certified under relevant ISO 9001:2008 standards while those at Ranjangaon are certified under ISO 9001:2015 standards. The Environmental Management Systems at Ranjangaon and Greater Noida units are duly certified under ISO 14001:2015 standards. Energy management and conservation systems at Greater Noida unit have been accredited under ISO 50001:2018. Manufacturing units also adopt and conform to specialized quality systems and methods as may be required by major customers. Quality systems at Biax Unit-II have been recognized with several awards in national fora including the Quality Council of India and ELCINA. Coex Division - Greater Noida Unit has received a Bronze rating under the GreenCo initiative reflecting adoption of a life cycle approach towards ecological sustainability and steps taken to make products, services and operations greener. The Company consistently receives awards on recognition and appreciation for vendor support, product development, quality and excellence by leading customers.

Biax Division

Biax Division manufactures a range of coextruded Biaxially Oriented Polypropylene ("BOPP") Films and Dielectric Films on sophisticated, automated production lines, having multipurpose use in applications ranging from food packaging to specialized films for use in electronics, besides being used for print lamination, cigarette overwraps, adhesive tape, bitumen membrane lamination etc. Flexible packaging in India continued to exhibit healthy growth rates, driven by increasing per capita consumption in India in line with changing consumption patterns for packaged food & other convenience products and trends in retail (more so following) the covid pandemic. BOPP films constitute a significant and growing input into this space and Indian industry has created substantial capacity to feed this segment. Our focus and strategic intent however remains dedicated within our core strengths to special products and niche markets, largely thin films for specialized electrical applications, where we remain the only domestic producer and which together with consistent high quality and service standards has enabled us to maintain high capacity utilization. Several customers in sophisticated segments have upgraded their processes and equipment thus requiring upgraded film products. The broad portfolio of low, medium and high voltage applications in standard and high temperature grade dielectric films ranging from 3.7 micron to 16 microns for metallised polypropylene as well as oil impregnated capacitors, developed as import substitutes conforming to international standards, have brought substantial benefits to Indian capacitor manufacturing units, while already contributing substantially to the overall performance of the Company and enabled us maintain a very respectable domestic market share through the year besides export opportunities (at 9.3% of total sale during the year). The dielectric film market is expected to grow at over 5 % per annum over the next several years. Growth in the electric automobile segment is expected to substantially add to the market potential. Development activities for semi-rough films and ultra-thin films are continuously undertaken; hazy films for power capacitors are now commercialized and part of the product range while semi-rough film developed for locomotive applications are in advanced stages of approval. Production on Unit I line ("old" packaging film line) was restricted during the year, while awaiting sale/transfer as the Company would be exiting the market space serviced by this unit; production at Unit II (dielectric films unit) was marginally higher; total production at Biax Division during the year was 3,353 MT (3,336 MT) and sales at Rs.91.35 crores were 12.6% higher.

Coex Division

Coex Division manufactures coextruded sheets, thermoformed refrigerator liners and coextruded cast films. Our products are usually custom-made to customer needs and based on various polymers including ABS, Polystyrene, PP and PE. Applications for the Xpro product range are wide, including sheets for refrigerator liners, disposable containers, automotive parts, etc. Cast films are high clarity films including stretch wrap and cling, specially formulated films for medical disposables, hygiene films, and others for packaging. India is expected to become one of the fastest growing consumer appliances markets globally over the coming years with higher disposable incomes, easing in consumer credit, the growing working population and the work-from-home concept being the key drivers of demand. The policy thrust on rural electrification would aid market expansion further. The low penetration of refrigerators, particularly in Tier 2 & 3 towns and rural India, also continues to attract more global players to the country offering us new potential markets. The production of refrigerators in India, comprising a key market for products of the Coex division, at 12.75 million units during the year, was about 17% lower than in the previous year reflecting the impact of the lockdown, the low overall consumer sentiment immediately thereafter and the pent-up demand translating into strong sales in the later part of the year. The refrigerator manufacturers however remain under price pressure due to commodity price inflation (with consequent pressure on vendors like us). We continue to be the leading supplier of sheets and liners to the white goods industry through consistent focus on product quality, development, reliability and superior service, which have also been recognized by major customers; these factors helped us to increase market share. New products and applications continue to be developed in association with key customers. In the cast films segment, our focus has been on special films and continuous innovation. Within our major market segments for cast films, the hygiene segment continues to exhibit consistent growth in excess of 25% per annum, with the medical disposables and adult incontinent product segments, in particular, poised for high growth, while the release film segment was weak reflecting the status of the tyre industry. Overall volumes in cast films from Ranjangaon was about 6% higher than in the previous year. Steps are being taken to optimize the production capabilities and improve production efficiencies on available cast film lines. Notwithstanding the substantial loss of volumes in the first quarter, reflecting overall market circumstances, the total production of sheets, including as liners, (adjusted for inter-unit transfers) and cast films at Coex division at 25,125 MT during the year was only about 7% lower than during the previous year (26,962 MT), while sales value was higher by 4.6%.

OTHER MATTERS

Environment and Safety

We firmly believe that safe and healthy working conditions in factories and other premises are as necessary and important as production, productivity and quality. Our policy requires conduct of activities to take foremost account of health and safety of all concerned, besides conservation of natural resources and protection of the environment to the extent possible. All necessary steps are taken towards our intent and policy of a safe working environment.

Human Resources

Employees represent our greatest asset and potential. It is only through motivated, creative and business-minded employees that we can achieve our aims. Involvement, commitment, teamwork and updating of skills and knowledge are integral to our objectives of advancing a professional, productive culture. Permanent employment is 261, of which officers and staff account for 209 and workmen for the balance (last year 270 and 217 respectively).

Others

The impact of renewed Covid-19 outbreaks on our business remains an unpredictable threat, even as economic revival is well underway supported by progress on vaccination and global recovery. Economic and societal developments cannot be reliably forecast yet, including action by governments, banks and others, to address the economic impact. Logistics, demand patterns and labour are uncertain variables. Production costs are rising following implementation of social distancing and other guidelines. We are in unusual times and are taking steps to conserve and protect liquidity while learning to adapt thinking and operations with agility to the new normal.

Barring any unforeseeable or extraordinary disruptive policy actions, there are no further or typical areas of risks or concerns outside the usual course of business, or the state of the economy, foreseeable at this time. Our primary manufacturing processes (including extrusion) are well established and our focus remains on process and efficiency improvements, and product & application development to provide a competitive edge. Internal control systems have been found to be adequate and are continuously reviewed for improvements. Our team is committed to the Board's dictates on standards of conduct as well as good governance and exercise of due diligence. We have taken all care to comply with applicable laws and regulations. The Company continues its initiatives towards operational improvements with a special emphasis on quality, control of overheads and broad-basing of markets, while focusing on managing uncertainties in a proactive manner. Domestic demand is expected to remain the main driver of growth. Positive policy actions towards growth, control on inflation and rural income support are expected to translate into improved market sentiment boosting domestic consumption. However, the external environment, including tightening of bank and non-banking credit, pressures generated by imports competing with some products, potential crude and polymer price volatility and a weakening rupee, continues to remain challenging. In the overall our outlook continues to remain one of cautious optimism. Our sincere thanks are due to all employees and teammates whose dedicated and hard work allowed results to be achieved. We are grateful to all our Bankers and all concerned Authorities for their continued support, and to all our customers for their faith and confidence. We remain committed to fullest customer satisfaction.

CAUTIONARY STATEMENT

Statements or narratives in this Report which seek to describe the Company's objectives, reasonable expectations, projections, estimates or predictions, or the Company's assessment of external circumstances (beyond its control) going forward, may be considered to be "forward-looking statements" within the meaning of applicable securities laws or regulations. Actual future results could differ materially from any expressed or implied. Additional important factors that could make a difference to the Company's operations and results include global and Indian containment, medical and economic recovery from the Covid-19 pandemic and possible recurrences thereof, demand-supply conditions, effects of any extraordinary policy actions - domestic or global, finished goods prices, feedstock availability and prices, power tariffs, cyclical demand and pricing in the Company's markets, changes in Government regulations, tax and tariff regimes, economic policies and developments within India and countries with which the Company conducts business besides other factors including but not limited to natural events, litigation and labour matters.

For and on behalf of the Management Team

New Delhi
May 25, 2021

C. Bhaskar
Managing Director & Chief Executive Officer

Annexure to the Directors' Report

POLICY ON REMUNERATION TO EXECUTIVE DIRECTORS & SENIOR MANAGEMENT

This Policy concerns the remuneration and other terms of employment for the Company's Executive Directors and Senior Management (Key Management Personnel and others one level below the Board).

a) **Guiding principles:**

The objective of this remuneration policy is to outline a framework to support that the Company's remuneration levels are aligned with industry practices and are sufficient to attract and retain competent executives of the quality required, while allowing fair rewards for the achievement of key deliverables and enhanced performance.

The Remuneration & Nomination Committee (RNC) of the Board (equivalent to the Nomination & Remuneration Committee in the Companies Act, 2013) determines individual remuneration packages for executive Directors and, where relevant, other senior non-director management personnel, taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee consults with the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by the Committee to the Board of the Company.

b) **Remuneration:**

A. **Base Compensation (fixed salaries):**
Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis;(includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices).

B. **Variable salary:**
The RNC may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfilment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the Committee, based on performance against pre-determined financial and non-financial metrics.

C. **Severance pay:**
There are, in the usual course, no severance fees (routine notice period not considered as severance fees) or other severance benefits.

c) **Role of the Remuneration & Nomination Committee:**

The Remuneration & Nomination Committee (RNC), of the Board discharges the functions of the Nomination and Remuneration Committee as envisaged under Sec.178 of the Companies Act, 2013. The RNC shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall review performance of Board, its Committees and Individual Directors and report the same to the Board. The RNC is responsible for:

a) formulating criteria for determining qualifications, positive attributes and independence of a Director for the purpose of this policy;
b) advising the Board on issues concerning principles for remuneration, remuneration and other terms of employment for Executive Directors & Senior Executives;
c) recommending to the Board, candidates and terms of employment for EDs and senior executives;
d) recommending to the Board, all remuneration, in whatever form, payable to senior management;
e) monitoring and evaluating programs for variable remuneration;
f) monitoring and evaluating the application of this Policy; and
g) monitoring and evaluating current remuneration structures and levels in the Company.

The RNC is also responsible for overseeing the Company's share option schemes and any long term incentive plans, which includes determination and recommendation to the Board of the eligibility for benefits.

d) **Authority to decide on deviations from this Policy:**

The Board of Directors may, in any individual or collective case, deviate from this Policy if there are, in its absolute discretion, particular reasons to do so.

e) **Amendment**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. No such amendment or modification will be however binding on the Employees unless the same is notified to the Employees in writing.

Annexure to the Directors' Report

Criteria for Evaluation of Independent Directors and the Board

The Company's Governance Code provides for review of the overall functioning of the Board and which has been regularly carried out by the Board. The Companies Act, 2013 mandates performance evaluation of the Independent Directors by the Board, inter alia, to determine renewal/extension of tenure. The Act also provides for the Remuneration & Nomination Committee to identify persons who are qualified to become directors and shall review performance of Board, its Committees and Individual Directors and report the same to the Board.

As required under Regulation 19 of the SEBI Listing Regulations, 2015, the Remuneration & Nomination Committee has laid down the following criteria for performance evaluation of Independent Directors as well as of the Board:

1. Broad understanding of the Company's business including financial, marketing, strategic plans and key issues;
2. Special skills/expertise contributing to the overall effectiveness and diversity of the Board;
3. Making measured and balanced contributions to Board discussions and deliberations after taking into consideration the interests of all stakeholders;
4. Standards of propriety;
5. Assisting the Company in implementing best Corporate Governance practices.

It is expected that while evaluating the Independence of Directors on the aforesaid criteria, the Board will be able to record their relative satisfaction and also decide whether to extend or continue the term of appointment of the Director(s). However, subject to applicable laws, the evaluation details shall be confidential.

Further, the important criteria for evaluating the Board and its committees may be:

1. Spread of talent and diversity in the Board and its committees;
2. Contribution to effective Corporate Governance and transparency in the Company's operations;
3. Deliberations/decisions on the Company's strategies, policies and plans and provision of guidance to the Executive Management.
4. Monitoring the implementation of the strategies and the executive management's performance;
5. Dialogue with the management.

Manner of effective evaluation of the Board, its Committees and Individual Directors:

While the performance of the Board and its Committees is evaluated on the basis of the Board's performance against the parameters laid down by the Remuneration & Nomination Committee, the evaluation of individual Director including his attendance and participation in the Board/Committee meetings is carried out anonymously in order to ensure objectivity.

Annexure to the Directors' Report

WHISTLE BLOWER POLICY

1. Preface

   a. The Company has adopted its Corporate Governance Regulations under relevant Regulation, Listing Agreement and Company Law as well as best practices relating thereto. The Board believes that the good governance is voluntary and self-disciplining, with the strongest impetus coming from Directors and the management itself. The management and organization at Xpro India Limited aims to be progressive, competent and trustworthy, while reflecting and respecting the best of Indian values in conduct. The Board lays significant emphasis on integrity, transparency and accountability by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has formulated the Code of Conduct for Directors and Senior Management ("the Code"), which lays down the principles and standards that should govern the actions of the Company and their employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined. This policy requires the employees to report violations, i.e., Every employee of the Company shall promptly report to the management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company.

   b. Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, inter alia, provides for a mandatory requirement for all listed companies to establish a vigil mechanism called 'Whistle Blower Policy' for directors, stakeholders, employees and their representatives bodies to freely communicate their concerns about illegal or unethical practices/behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

   c. Under the Companies Act, 2013 every listed company is required to establish a vigil mechanism for directors and employees to report genuine concerns.

   d. Accordingly, this Whistle Blower Policy ("the Policy") has been formulated with a view to provide a mechanism for employees of the Company to approach the Audit Committee of the Company.

2. Definitions

   The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code/Company's Rules.

   a. "Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 read with SEBI Listing Regulations, 2015.

   b. "Employee" means every employee of the Company and their representative bodies including Directors of the Company.

   c. "Investigators" mean those persons authorised, appointed, consulted or approached by the Audit Committee and include the auditors of the Company and the police.

   d. "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

   e. "Company" means Xpro India Limited and its subsidiaries.

   f. "Subject" means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

   g. "Whistle Blower" means an Employee making a Protected Disclosure under this Policy.

3. Scope

   1. This Policy is an extension of the Code of Conduct for Directors & Senior Management, Code of Best Practices for the Board and Rules and Regulations of the Company. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

   2. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Audit Committee or the Investigators.

   3. Protected Disclosure will be appropriately dealt with by the Audit Committee.

4. Eligibility

   All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or its subsidiaries. Any such disclosures shall be made within a reasonable time from the occurrence of the alleged violation and in any case, not later than six months from alleged occurrence.

5. Disqualifications

   a. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

   b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.

   c. Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

6. Procedure

   a. All Protected Disclosures should be addressed to the Chairman of the Audit Committee of the Company. The contact details of the Chairman of the Audit Committee are as under:

      Sri S. Ragothaman,
      C3, Golden Gate Apartments,
      2nd Floor, T. Nagar,
      33, Habibullah Road,
      Chennai - 600 017

   b. Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.

   c. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Chairman of the Audit Committee shall detach the covering letter and forward only the Protected Disclosure to the Investigator appointed for this purpose.

   d. Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

   e. The Whistle Blower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures will not be entertained by the Audit Committee as it would not be possible for it to interview the Whistle Blowers.

7. Investigation

   a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Investigator, as directed by Audit Committee, who will investigate / oversee the investigations under the authorization of the Audit Committee.

   b. The decision to conduct an investigation taken by the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.

   c. Any member of the Audit Committee who may have a conflict of interest in respect of the matter under investigation/the protected disclosure, should recuse himself and the other members of the Committee shall deal with the matter.

   d. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.

   e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

   f. Subjects shall have a duty to co-operate with the Audit Committee or any of the Investigators during investigation to the extent that such co-operation sought does not merely require them to admit guilt.

   g. Subjects have a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Audit Committee and/or the Whistle Blower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.

   h. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.

   i. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrong doing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.

   j. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

   k. The investigation shall be completed normally within 60 days of the receipt of the Protected Disclosure.

8. Protection

No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

a. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of Audit Committee (e.g. during investigations carried out by Investigators).
b. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
c. Any violation of the above protection should be reported to the Chairman of the Audit Committee who shall cause the same to be investigated and recommend appropriate action, if required, to the management.

9. Investigators

a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.
b. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
c. Investigations will be launched only after a preliminary review which establishes that:
   i. the alleged act constitutes an improper or unethical activity or conduct, and
   ii. either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

10. Decision

If an investigation leads the Audit Committee to conclude that an improper or unethical act has been committed, the Audit Committee shall direct the management of the Company to take such disciplinary or corrective action as the Audit Committee deems fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

11. Reporting

The Investigator shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

12. Retention of documents

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of three years.

13. Amendment

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees unless the same is notified to the Employees in writing.

Annexure to the Directors' Report

Particulars of Employees pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Details of Top ten employees in terms of renumeration drawn during the year 2020-21:

Name	Designation of the Employee	Remuneration Received (Rs.)	Qualifications	Experience (Years)	Date of Commencement of employment	Age (Years)	Last Employment held
Sri Sidharth Birla	Chairman	91,07,646	B.Sc. (Hons), M.B.A.	43	01/03/2000	63	Cimmco Birla Limited
Sri C. Bhaskar*	MD & CEO	1,47,45,984	B.Tech.(Chem), PGDM (IIM-C) MIMA, FIPI	42	01/01/1984	66	VXL India Limited
Sri H Bakshi	Sr.President & COO	1,01,88,000	B.Tech.(Chem), Dip. Ind. Safety	43	25/01/1993	65	Ceat Limited
Sri V. K. Agarwal	President (Finance) & CFO	75,56,920	B.Com., FCA, ACS	34	11/02/2008	55	Wire & Wireless (India) Ltd.
Sri N Ravindran	Joint President (Mktg.) & CMO	71,16,164	B.Sc., M.Sc., PGDM (IIM-A)	34	01/07/1995	59	Bata India Limited
Sri Anil Jain	Sr. Vice President, Coex Division, (RNJ)	52,55,290	B.Com., ACA	36	08/03/1995	61	Usha Telehoist Limited
Sri Radhey Shyam	Executive Vice President, Coex Division, (RNJ)	56,28,756	Dip. Mech. Eng.	40	08/08/2016	59	Amber Enterprises India Pvt Ltd.
Sri Sunil Mehta	Executive Vice President, Coex Division, (GRN)	36,28,900	B.A. Economics (Hons), MBA	42	16/02/1996	64	Ankit Granites Limited
Sri Satish M Agarwal	Vice President (Commercial) Coex Division, (RNJ)	28,84,366	B.Com., D.B.M. (Mumbai)	42	01/11/1999	61	Cimmco Birla Limited
Sri Madhu Babu Yenike	Vice President (Works), Coex Division (GRN)	25,33,504	PD-PMD, DME	26	23/12/2002	50	Daewoo Electronics Limited.

ii. a) Employed for the year and in receipt of remuneration in aggregate not less than Rs.1,02,00,000/- p.a.: * as above
b) Employed for part of the year and in receipt of remuneration in aggregate not less than Rs.8,50,000/- p.m.: None

Notes:
a. Remuneration includes Salary, Housing, Medical Reimbursement, Leave Travel Assistance, Company Contribution to Provident & Superannuation Funds and other perquisites, leave encashment and commission, if any.
b. Appointment of Sri Sidharth Birla and Sri C Bhaskar are contractual and of others are non-contractual;
c. Sri Sidharth Birla and Smt. Madhushree Birla are related and others are not related to any Director of the Company;
d. No employee of the Company, in receipt of remuneration in excess of the highest paid Director, together with his spouse and dependent children holds more than 2% of the Equity Shares of the Company.

For and on behalf of the Board

New Delhi
May 25, 2021

Sidharth Birla
Chairman

Annexure to the Directors' Report

Particulars pursuant to Section 197(12) of the Companies Act, 2013
read with rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

i)	Sidharth Birla *(Chairman)*	:	25 : 1
ii)	C. Bhaskar *(Managing Director & CEO)*	:	36 : 1

b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

i)	Sidharth Birla *(Chairman)*	:	- *
ii)	C. Bhaskar *(Managing Director & CEO)*	:	6.85
iii)	V. K. Agarwal *(Chief Financial Officer)*	:	21.22
iv)	Amit Dhanuka *(Company Secretary)*	:	- @

c) The percentage increase in the median remuneration of employees in the financial year: - *

d) The number of permanent employees on the rolls of Company: 261 *(as on March 31, 2021)*

e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

Average increase in remuneration during the last financial year for employees other than managerial personnel is 10.39 % and 0.97 % for managerial personnel.

f) If remuneration is as per the remuneration policy of the Company: Yes

* *not given herein as decrease in remuneration*
@ *not applicable as appointed as Company Secretary w.e.f. July 1, 2020*

(Note: for the purposes of the above, sitting fees paid to the Directors and leave encashment have not been considered as remuneration)

Annexure to the Directors' Report

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors, to:

1. formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company
2. recommend the amount of expenditure to be incurred on such activities and
3. monitor the implementation of the said CSR Policy from time to time.

The Committee comprises of Smt. Madhushree Birla, as Chairperson, Sri Utsav Parekh (Independent Director) and Sri C Bhaskar as Members. Sri H. Bakshi, Sr. President & Chief Operating Officer of the Company shall be management invitee at the CSR Committee meetings.

Having regard to the Company's size and scope, small steps have been always taken at unit level for social and inclusive development in the local area; however, given the relatively small size and geographical spread, it has not been practical to undertake directly any significant project outside these. The Company thus adopted a policy to support external bodies including relevant bodies, NGOs or Government Relief Funds selected by the Committee, including through financial contribution to them.

The Committee will focus on activities in areas, excluding those undertaken in pursuance of normal business of the Company, selected from those identified and prescribed under the Companies Act, 2013 (Annexure) with greater participation in the areas of health and social welfare, efforts towards reducing child mortality, promotion of education & social responsible behaviour, and employment enhancing vocational skills.

The Company will endeavour to spend, in every financial year, an amount considered appropriate by the Board, *inter-alia* keeping in view the benchmark of 2% of the average net profits of the Company during the 3 immediately preceding financial years. Surplus, if any, arising out of CSR projects shall be ploughed back and will not form part of the business profit of the Company.

Annexure to CSR Policy:

AREAS PRESCRIBED UNDER THE COMPANIES ACT, 2013:

i. eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
ii. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
iii. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
iv. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of the river Ganga;
v. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
vi. measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
vii. training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
viii. contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situation Fund (PM CARES FUND) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Schedule Castes, the Scheduled Tribes, other backward classes, minorities and women;
ix. (a) contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by Central Government or State Government or Public Sector undertaking of Central Government or State Government; and

    (b) contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);
x. rural development projects;
xi. slum area development;
xii. disaster management, including relief, rehabilitation and reconstruction activities.

Annexure to the Directors' Report

Information as per Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY :

i) The steps taken or impact on conservation of energy:

Energy conservation receives priority attention on an on-going basis throughout the Company, and continuous efforts are made to conserve and optimize use of energy with continuous monitoring, regular maintenance and improved operating techniques. Some specific steps taken include:

- Maintenance of near unity Power Factor; Installation of capacitors to improve PF
- Optimised fuel consumption by timely replacement of burner nozzle
- Process cooling water system rationalization and use of closed loop chilling systems
- Use of direct drives and energy efficient motors to minimize mechanical losses
- Use of natural lighting, wherever feasible; Replacing of conventional lamps with energy efficient lighting
- Use of natural turbo-vents
- System validation and optimization of blower speeds in AHU units
- Central water treatment plant and regeneration of resins
- Centralised compressed air systems
- Certification under ISO 50001:2018 of Energy management systems (completed at Greater Noida Unit)

ii) The steps taken by the Company for utilising alternate sources of energy:

Use of Solar energy sources for general lighting applications and evaluating roof-top solar energy systems at factories

iii) The capital investment on energy conservation equipment:

Financial impact not separately quantified

B. TECHNOLOGY ABSORPTION :

Continuous focus on maintaining a strong leadership position in the manufacture of dielectric and other films, and in sheet extrusion and thermoforming;

a) The efforts made towards technology absorption:

High technology Dielectric Film products developed through indigenous technology for specialized products promoting 'Make in India' concept;

Constant monitoring of process, technology and product upgradation globally and to offer similar products through in-house R&D as well as through progressive manufacturing activities;

Continuous improvements being made in quality control methods and testing facilities;

Regular interaction with foreign equipment designers and manufacturers and major raw material suppliers for improvements in processing and operating parameters;

b) The benefits derived include:

- Import substitution;
- Development of new products to expand range offering a competitive edge in the market;
- Improved product quality, cost reduction and customer satisfaction;
- Competitive advantage;
- Improved work practices & productivity, cost reduction & enhanced quality;
- Market expansion.

c) No fresh technology has been imported during the last three years;

d) The expenditure on Research & Development:

- Recurring expenditure: estimated at Rs. 15 lacs per annum

C. FOREIGN EXCHANGE EARNINGS & OUTGO

	2020-2021	2019-2020
		Rs.
Total foreign exchange used	**44,92,08,763**	45,59,27,329
Total foreign exchange earned	**9,54,51,328**	6,14,16,156

For and on behalf of the Board

New Delhi
May 25, 2021

Sidharth Birla
Chairman

Annexure to the Directors' Report

Form No. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(Rs.in lacs)

1.	Sl. No.	1		2	
2.	Name of the subsidiary	Xpro Global Limited		Xpro Global Pte. Ltd.	
3.	Reporting period for the subsidiary concerned	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021 *(ref. Note b)*	Year ended March 31, 2020
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupee	Indian Rupee	Singapore $ (1 S$ = Rs.54.43)	Singapore $ (1 S$ = Rs.53.01)
5.	Share capital	52.50	52.50	-	18.39
6.	Reserves & surplus	(50.49)	(50.73)	-	6.89
7.	Total assets	10.42	15.86	-	26.32
8.	Total Liabilities	8.41	14.09	-	1.04
9.	Investments	-	-	-	-
10.	Turnover	1.36	11.76	-	-
11.	Profit before taxation	0.29	(77.76)	(1.42)	(3.32)
12.	Provision for taxation	0.05	0.01	-	-
13.	Profit after taxation	0.24	(77.75)	(1.42)	(3.32)
14.	Proposed Dividend	Nil	Nil	Nil	Nil
15.	% of shareholding	100	100	*(ref. Note b)*	100

Notes:

a. Names of subsidiaries which are yet to commence operations:
None

b. Names of subsidiaries which have been liquidated or sold during the year:
Xpro Global Pte. Ltd., Singapore applied voluntarily and was struck off the Register of Companies, Singapore with effect from February 8, 2021

For and on behalf of the Board

Sidharth Birla
Chairman

Amit Dhanuka
Company Secretary

V. K. Agarwal
President (Finance) & Chief Financial Officer

C. Bhaskar
Managing Director & Chief Executive Officer

New Delhi
May 25, 2021

Annexure to the Directors' Report

SECRETARIAL AUDIT REPORT
FORM NO. MR - 3
For the Financial Year ended March 31, 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Xpro India Limited
Barjora - Mejia Road,
P.O - Ghutgoria, Tehsil : Barjora,
Dist.: Bankura 722 202
West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Xpro India Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (There were no events / instances during the Audit Period which attract the applicability of the Regulations);

   (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (There were no events / instances during the Audit Period which attract the applicability of the Regulations);

   (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (There were no events / instances during the Audit Period which attract the applicability of the Regulations);

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (There were no events / instances during the Audit Period which attract the applicability of the Regulations); and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (There were no events / instances during the Audit Period which attract the applicability of the Regulations);

vi) All other laws applicable to the Company in general. However, no Industry specific law is applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

(a) Secretarial Standards issued by The Institute of Company Secretaries of India

(b) The Listing Agreement entered into by the Company with National Stock Exchange

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Directors. The change in the composition of the Board of Directors that took place at the close of the Financial Year on March 31, 2021 was carried out in compliance with the provisions of the Act.

b) Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) Majority decision is carried through while the dissenting members' views are captured and recorded, if any, as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with our letter of even date which is annexed as Annexure A and forms as an integral part of this report.

K. C. Khowala
Company Secretary in practice
ACS No. 4695
CP No. 2421
UDIN: A004695C000249632

Place: Kolkata
Date: May 6, 2021

"Annexure A"
(To the Secretarial Audit Report of M/s Xpro India Limited for the financial year ended March 31, 2021 – Non-Qualified)

To,
The Members,
Xpro India Limited
Barjora - Mejia Road,
P.O - Ghutgoria, Tehsil : Barjora,
Dist.: Bankura 722 202
West Bengal

Our Secretarial Audit Report for the financial year ended March 31, 2021 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for an opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules, regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

K. C. Khowala
Company Secretary in practice
ACS No. 4695
CP No. 2421
UDIN: A004695C000249632

Place: Kolkata
Date: May 6, 2021

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF XPRO INDIA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Xpro India Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assets held for sale of unit situated in Biax - Unit 1 Refer note 4(e) for the accounting policy and note 20 for the financial disclosures. The Company has a manufacturing unit situated in Barjora (referred to as 'Biax-Unit 1'). The management has determined Biax-Unit 1 unit as a single cash generating unit ('CGU') in accordance with Ind AS 36, Impairment of Assets. The Company had entered a 'Term Sheet' for sale of its assets situated at Biax-Unit 1, basis the approval of the Board of Directors during the year ended 31 March 2019, for a consideration which was greater than the carrying value of the CGU as on the reporting date which was also approved by the shareholders. The sale was subject to obtaining necessary approvals from regulatory authorities and satisfactory trial runs of the plant. Subsequently the parties have also entered into an addendum agreement on 4 February 2021 providing, inter alia,	Our audit procedures included, but were not limited to the following: • Assessed the term sheet and the addendum agreement entered into with the buyer and discussed its validity with the management. • Assessed the carrying value of the assets for any adjustments during the year. • Assessed that the disposal cost which has been carried forward meets the definition of asset. • Reviewed the correspondences between the Company and the regulatory authority for transfer of lease deed. • Assessed the events and circumstances for the classification of asset held for sale under Ind AS 105 along with the conditions mentioned in the Term Sheet.

Key audit matter	How our audit addressed the key audit matter
for interim operations on a job-work basis pending formal approval of transfer. (Interim operations commenced in March 2021.) The renewal lease deed having been executed during the year, the management as required has applied to the Government of West Bengal for transfer of land to the buyer which is pending as at year end. Meanwhile, the management has conducted the trial run and purchaser has confirmed the plant as acceptable on an “as is where is basis”. The term sheet continues to be binding on the parties involved and hence the Company has presented these assets as “assets held for sale” in the standalone financial statements and valued it at lower of carrying value and fair value less cost to sell in accordance with Ind AS 105. The fair value has been determined based on the value ascribed in the Term Sheet. This was considered to be one of the areas which required significant auditor attention and a matter which was of most significance in the standalone financial statements due to the nature of transaction and materiality of the balances.	• Assessed reasonableness of management’s judgement with respect to the likelihood and expected timing of the implementation of the term sheet. • Analysed the term sheet entered into with the buyer and noted the consideration agreed is higher than the carrying value of the land, building and plant and machinery situated at Biax - Unit I. • Assessed the appropriateness and completeness of the disclosures in note 20 in accordance with the applicable Ind AS

Information other than the Financial Statements and Auditor’s Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor’s report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company’s Board of Directors. The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
17. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    c) the standalone financial statements dealt with by this report are in agreement with the books of account;
    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
    e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
    f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 25 May 2021 as per Annexure II expressed unmodified opinion; and
    g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
        i. the Company, as detailed in note 41 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;
        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
        iii. there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and
        iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

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

Nitin Toshniwal
Partner
Membership No. 507568
UDIN: 21507568AAAACG3144

Place: Faridabad
Date: 25 May 2021

Annexure I to the Independent Auditor's Report of even date to the members of Xpro India Limited on the standalone financial statements for the year ended 31 March 2021

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of property, plant and equipment, capital work-in-progress, right-of-use assets, and intangible assets.

(b) The fixed assets comprising property, plant and equipment and capital work-in-progress have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment, Capital work-in-progress and Right- of- use assets') are held in the name of the Company except for the following properties:

(₹ in lakhs)

Nature of property	Total Number of Cases	Whether leasehold/ freehold	Gross block as on 31 March 2021	Net block on 31 March 2021	Remarks *
Land	Two	Leasehold	31.24	31.24	Refer note 5(c) of standalone financial statements

* *Subsequent to year end, the Company have got the title deed of the above two lands registered in their name*

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on the aforesaid verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	19.92	-	2012-14	Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Excise duty	9.88	0.74	2016-18	Superintendant Central Excise, Kolkata
Central Excise Act, 1944	Excise Duty	11.73	-	2010-11	Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Excise Duty	10.59	-	2010-11	Commissioner of Central Excise Appeals, Kolkata
Sales Tax Act	UP Trade Tax	4.26	3.41	2004-05	Commissioner of Sales Tax
Sales Tax Act	Sales Tax Demand	35.06	3.88	1996-2011	Deputy Commissioner (Appeal), Durgapur
Sales Tax Act	Sales Tax Demand	0.91	0.23	2013-14	Office of appellate authority, commercial tax department, Madhya Pradesh
Central Excise Act, 1944	Excise Duty	22.62	-	2013-15	Directorate General of Central Excise Intelligence
Central Excise Act, 1944	Excise Duty	12.79	-	2013-15	Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Excise Duty	6.64	-	2014-16	Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Excise Duty	4.09	-	2015-16	Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Excise Duty	15.53	1.86	2013-15	Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Excise Duty	9.31	-	2014-16	Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Excise Duty	26.93	2.29	2015-16	Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Excise Duty	26.00	2.66	2016-17	Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Excise Duty	1.32	0.40	2014-17	Commissioner of Central Excise Appeals, Kolkata
Sales Tax Act	Uttar Pradesh Entry Tax	11.34	-	2002-03	Hon'ble Supreme Court of India
Central Excise Act, 1944	Excise Duty	7.28	-	2014-17	Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Excise Duty	61.23	-	2018-19	Assistant Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Service Tax	0.82	0.25	2014-17	Commissioner of Central Excise Appeals, Kolkata
Central Excise Act, 1944	Service Tax	53.11	-	2014-16	Commissioner of Central Excise Appeals, Kolkata
Central Goods & Services Tax Act, 2017	Excise Duty	0.32	-	2013-14	Assistant Commissioner CGST & Central Excise, Bankura

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Goods & Services Tax Act, 2017	Excise Duty	23.90	-	2014-17	Assistant Commissioner CGST & Central Excise, Bankura
Central Goods & Services Tax Act, 2017	Excise Duty	1.80	-	2014-17	Assistant Commissioner CGST & Central Excise, Bankura

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company did not have any loans or borrowings payable to any financial institution or government and no outstanding debentures during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Nitin Toshniwal
Partner
Membership No. 507568
UDIN: 21507568AAAACG3144

Place: Faridabad
Date: 25 May 2021

Annexure II to the Independent Auditor's Report of even date to the members of Xpro India Limited on the standalone financial statements for the year ended 31 March 2021

Annexure II
Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the standalone financial statements of Xpro India Limited (the 'Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Nitin Toshniwal
Partner
Membership No. 507568
UDIN: 21507568AAAACG3144

Place: Faridabad
Date: 25 May 2021

STANDALONE BALANCE SHEET as at March 31, 2021 (Rs. in lacs)

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current assets			
a. Property, plant and equipment	5	1,70,23.27	1,78,86.32
b. Capital work-in-progress	5	31.24	31.36
c. Right-of-use assets	48	8,85.32	9,22.21
d. Other intangible assets	6	-	-
e. Financial assets			
Investments	7	1.50	70.89
Loans	8	1,86.79	1,86.07
Other financial assets	9	2,13.41	2,13.41
f. Deferred tax assets (net)	26	-	5,33.58
g. Non-current tax assets (net)	10	2,01.87	53.69
h. Other non-current assets	11	54.63	69.67
		1,85,98.03	1,99,67.20
Current assets			
a. Inventories	12	41,03.74	41,73.33
b. Financial assets			
Trade receivables	13	66,38.12	52,73.04
Cash and cash equivalents	14	1,68.47	5,83.37
Bank balances (other than cash and cash equivalents)	15	4,15.58	4,50.61
Loans	16	1,09.33	1,09.06
Other financial assets	17	70.80	70.80
c. Current tax assets	18	2.08	77.51
d. Other current assets	19	1,65.55	4,50.10
		1,16,73.67	1,11,87.82
Assets held for sale	20	5,21.46	5,09.08
Total Assets		3,07,93.16	3,16,64.10
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	21	11,81.35	11,81.35
b. Other equity	22	78,07.09	70,55.64
Total equity		89,88.44	82,36.99
Liabilities			
Non-Current liabilities			
a. Financial liabilities			
Borrowings	23	97,00.68	1,06,71.59
Lease liabilities	48	2,18.57	2,31.64
Other financial liabilities	24	6.57	6.57
b. Provisions	25	4,29.65	5,38.77
		1,03,55.47	1,14,48.57
Current liabilities			
a. Financial liabilities			
Borrowings	27	11,71.97	39,78.98
Lease liabilities	48	13.07	12.36
Trade payables - dues to micro & small enterprises	28	1,37.67	20.94
- dues to creditors other than micro & small enterprises	28	70,88.81	56,26.71
Other financial liabilities	29	26,19.31	21,10.08
b. Other current liabilities	30	4,18.42	2,29.47
		1,14,49.25	1,19,78.54
Total liabilities		2,18,04.72	2,34,27.11
Total Equity and liabilities		3,07,93.16	3,16,64.10

The accompanying notes are an integral part of the standalone financial statements

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Nitin Toshniwal
Partner
Membership No. 507568
Faridabad, May 25, 2021

For and on behalf of the Board

Sidharth Birla
Chairman

Amit Dhanuka
Company Secretary

V. K. Agarwal
President (Finance) & Chief Financial Officer

C. Bhaskar
Managing Director & Chief Executive Officer

STANDALONE STATEMENT OF PROFIT AND LOSS
For the Year ended March 31, 2021

(Rs. in lacs)

	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
Income			
- Revenue from operations	31	3,73,35.36	3,54,83.93
- Other income	32	2,15.17	1,42.00
Total income		**3,75,50.53**	**3,56,25.93**
Expenses			
- Cost of materials consumed	33	2,62,00.75	2,62,46.44
- Changes in inventories of finished goods & work-in-progress	34	3,05.51	(6,42.64)
- Employee benefits expense	35	26,83.11	25,14.97
- Finance costs	36	17,31.52	18,58.27
- Depreciation and amortisation expense	37	12,39.69	12,21.34
- Other expenses	38	40,35.30	43,05.80
Total expenses		**3,61,95.88**	**3,55,04.18**
Profit before exceptional items and tax		13,54.65	1,21.75
Exceptional items	43	(51.00)	-
Profit before tax		**13,03.65**	**1,21.75**
Tax expense			
- Current tax		-	26.00
- Deferred tax	26	5,33.58	(26.00)
- Tax adjusted for earlier years		(20.93)	0.84
Total tax expense		**5,12.65**	**0.84**
Profit for the year		**7,91.00**	**1,20.91**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(39.55)	(20.32)
- Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		(39.55)	(20.32)
Total comprehensive income for the year (comprising profit after tax and other comprehensive income for the year)		**7,51.45**	**1,00.59**
Earnings per equity share (of Rs.10/- each)	39		
- Basic (Rs.)		**6.70**	**1.02**
- Diluted (Rs.)		**6.70**	**1.02**

The accompanying notes are an integral part of the standalone financial statements

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Nitin Toshniwal
Partner
Membership No. 507568
Faridabad
May 25, 2021

For and on behalf of the Board

Sidharth Birla
Chairman

Amit Dhanuka
Company Secretary

V. K. Agarwal
President (Finance) & Chief Financial Officer

C. Bhaskar
Managing Director & Chief Executive Officer

STANDALONE STATEMENT OF CASH FLOWS

For the Year ended March 31, 2021

(Rs. in lacs)

		Year ended March 31, 2021	Year ended March 31, 2020
A.	**Cash flow from operating activities**		
	Net profit before tax	13,03.65	1,21.75
	Adjustments for:		
	Depreciation and amortisation (net)	12,39.69	12,21.34
	Exceptional items	51.00	-
	Excess provision written back	(87.30)	(70.35)
	Foreign currency translations (net)	-	(0.07)
	Interest income	(46.36)	(42.59)
	Profit on repatriation of investment in foreign subsidiary	(5.54)	-
	Finance costs	16,56.20	17,82.95
	Loss on sale of property, plant & equipment	0.08	26.50
	Dividend income	(0.05)	(0.08)
	Operating profit before working capital changes	**41,11.37**	**30,39.45**
	Movement in financial assets	(1.00)	19.70
	Movement in trade receivables	(13,65.07)	3,32.79
	Movement in other assets	2,99.38	6,01.74
	Movement in inventory	69.60	(5,81.46)
	Movement in financial liabilities	16,98.96	4,98.47
	Movement in other liabilities	1,88.95	(0.83)
	Movement in provisions	(1,48.68)	89.98
	Cash flow generated from operations (gross)	**48,53.51**	**39,99.84**
	Less: taxes paid (net)	(63.04)	(65.37)
	Net cash flow generated from operating activities (A)	**47,90.47**	**39,34.47**
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)	(2,39.67)	(6,23.46)
	Proceeds from sale of property, plant and equipment	20.53	14.15
	Repatriation of investment in foreign subsidiary	23.93	-
	Dividend received	0.05	0.08
	Interest received	46.36	34.43
	Proceeds from maturity of/(Investment in) fixed deposits	30.05	(1,30.54)
	Net cash flow (used in)/generated from investing activities (B)	**(1,18.75)**	**(7,05.34)**
C.	**Cash flow from financing activities**		
	Payment of lease liabilities	(39.18)	(39.18)
	Proceeds from long-term borrowings	19,30.00	1,28.71
	Repayment of long-term borrowings	(25,25.02)	(17,33.19)
	Repayment of short-term borrowings (net)	(28,07.01)	7,10.86
	Interest paid/finance cost	(16,45.41)	(17,50.92)
	Net cash flow (used in) from financing activities (C)	**(50,86.62)**	**(26,83.72)**
	Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(4,14.90)**	**5,45.41**
	Cash and Cash Equivalents at the beginning of the year	**5,83.37**	**37.96**
	Cash and Cash Equivalents at the end of the year *(refer Note 14)*	**1,68.47**	**5,83.37**

	As at March 31, 2021	As at March 31, 2020
Components of cash and cash equivalents *(refer Note 14)*		
Balances with scheduled banks:		
- In current accounts	1,64.53	5,80.32
Cash on hand	3.94	3.05
	1,68.47	5,83.37

Notes:

a) The Cash Flow Statement has been prepared as per the "indirect method" set out in Ind AS 7 on Statement of Cash Flow;

b) Disclosures as required in terms of Amendment to Ind AS 7 'Statement of cash Flows'

(Rs. in lacs)

	Lease liabilities	Long-term borrowings	Short-term Borrowings
Balance as on April 1, 2019 #*	2,55.05	1,39,26.50	32,68.12
Cash flows:			
Proceeds	-	1,28.71	7,10.86
Repayments	(39.18)	(17,33.19)	-
Non-cash changes on account of:			
foreign exchange fluctuation	-	2,65.64	-
interest cost on lease liabilities	**28.13**	-	-
Balance as on April 1, 2020 *	2,44.00	1,25,87.66	39,78.98
Cash flows:			
Proceeds	-	19,30.00	-
Repayments	(39.18)	(25,25.02)	**(28,07.01)**
Non-cash changes on account of:			
foreign exchange fluctuation	-	1,24.45	-
interest cost on lease liabilities	**26.82**	-	-
Balance as on March 31, 2021 *	2,31.64	1,21,17.09	11,71.97

Lease liabilities in 2019-20 have been created on account of transition to Ind AS 116 (refer note 48 for details)

* includes current maturity of long-term borrowings Rs.24,16.41 lacs (March 31, 2020: Rs. 19,16.07 lacs, March 31, 2019: Rs. 21,09.74 lacs)

c) The accompanying notes are an integral part of the standalone financial statements.

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board

Sidharth Birla
Chairman

Nitin Toshniwal
Partner
Membership No. 507568
Faridabad
May 25, 2021

Amit Dhanuka
Company Secretary

V. K. Agarwal
President (Finance) &
Chief Financial Officer

C. Bhaskar
Managing Director &
Chief Executive Officer

STANDALONE STATEMENT OF CHANGES IN EQUITY
For the Year ended March 31, 2021

(Rs. in lacs)

A. Equity Share Capital

Particulars	Number of shares	Amount
Balance as at April 1, 2019	1,18,13,500	11,81.35
Changes in equity share capital during the year	-	-
Balance as at March 31, 2020	1,18,13,500	11,81.35
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	**1,18,13,500**	**11,81.35**

B. Other equity

Particulars	Reserves and surplus				Total
	Capital subsidy reserve	Securities premium	General reserve	Retained earnings	
Balance as at April 1, 2019	60.50	4,06.58	67,50.00	(2,62.03)	69,55.05
Profit for the year	-	-	-	1,20.91	1,20.91
Remeasurement of defined benefit plans (net of tax)	-	-	-	(20.32)	(20.32)
Balance as at March 31, 2020	60.50	4,06.58	67,50.00	(1,61.44)	70,55.64
Profit for the year	-	-	-	7,91.00	7,91.00
Remeasurement of defined benefit plans (net of tax)	-	-	-	(39.55)	(39.55)
Balance as at March 31, 2021	**60.50**	**4,06.58**	**67,50.00**	**5,90.01**	**78,07.09**

The accompanying notes are an integral part of the standalone financial statements

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board

Sidharth Birla
Chairman

Nitin Toshniwal
Partner
Membership No. 507568
Faridabad
May 25, 2021

Amit Dhanuka
Company Secretary

V. K. Agarwal
President (Finance) & Chief Financial Officer

C. Bhaskar
Managing Director & Chief Executive Officer

Notes to the Financial Statements

1. **Company Information:**

Xpro India Limited (the '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 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 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).

2. **Application of new and revised Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ('MCA') notifies new standards or amendment to the existing standards. However, there are no such notifications which have been issued but are not yet effective or applicable from April 1, 2021.

3. **Basis for Preparation:**

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

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with Section 133 of the Companies Act, 2013.

These financial statements of the Company for the year ended March 31, 2021 were approved and authorized for issue by Board of Directors on May 25, 2021.

b. Basis of measurement

These 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 financial statements.

c. Functional and presentation currency

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

d. Current and non-current classification

The Company presents assets and liabilities in the 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 Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of assets and liabilities as current and non-current.

e. Fair Value Measurements

The Company 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 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 Company 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 Company 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 Company 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 Company 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 3(q) - Financial Instruments.

Overall Considerations

The 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 financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

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

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the standalone 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 capitalization 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 Company 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 Statement of Profit and Loss for the period during which such expenses are incurred. Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as a part of indirect construction cost to the extent the expenditure is related to construction or is incidental thereto. Other indirect costs incurred during-the construction periods which are not related to construction activity nor are incidental thereto are charged to the 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 Company 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 over the useful lives of assets as specified in Schedule II to the Act.

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 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 statement of profit and loss.

b. Other intangible assets

Intangible assets that are acquired by the Company, 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 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 5 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.

d. Impairment of non-financial assets

The carrying amounts of the Company'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 Company'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 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 Company 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 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 a 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 & 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 Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the 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 Company. 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 financial statements.

h. Government grants

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

i. 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.

j. 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 Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. Exchange differences pertaining to long-term foreign currency monetary items used for acquisition of depreciable fixed assets are added to the cost of fixed assets and depreciated over the remaining life of the respective fixed asset.

The Company 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 taken to statement of profit and loss.

k. Revenue recognition

Sale of Goods: Revenue from sale of products are recognised when control of products is transferred i.e. on dispatch of goods and are accounted for net of returns, trade discounts and volume rebates.

Sales value is net of discounts, rebates and freight outward (on external sales) and are exclusive of value added tax and goods and service tax.

The Company 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 Company 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 Company 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 Company 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 Company's right to receive is established which generally occurs when the shareholders approve the dividend.

Interest Income: Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Other Income: Interest income is recognised, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). Income from export incentives is recognised on accrual basis.

l. Employee Benefits

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

Defined contribution plans: The Company'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 valuations 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 Company recognizes the following changes in the net defined benefit obligation as an expense in the 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 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.

Compensated absences: 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 statement of profit and loss.

Short-term employee benefits: 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.

m. Leases

The Company 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 Company. Contracts may contain both lease and non-lease components. The Company 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 Company is reasonably certain to exercise that option; (e) payment for penalties for terminating the lease, if the lease term reflects the Company 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 Company, 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 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 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 Company 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 statement of profit and loss. Short term leases are the leases with a lease term of 12 months or less.

n. 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 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.

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.

o. Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the year attributable to equity shareholders of the 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 Company and the weighted average number of equity shares outstanding the year is adjusted for the effects of all dilutive potential equity shares.

p. 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 Company predominantly fall within a single reportable operating segment, i.e., Polymer Processing. The Board of Directors is the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.

q. 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.

r. 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

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement:

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 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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Derecognition

The Company derecognizes 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 Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company 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 the profit or loss on disposal of that financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company 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) Trade receivables under Ind AS 115.

For recognition of impairment loss on other financial assets and risk exposure, the Company 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 Company's financial liabilities include trade and other payables, borrowings and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

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 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 Company or the counterparty.

s. Use of estimates and management judgements

The preparation of the Company's 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 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 Company based its assumptions and estimates on parameters available when the 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 Company 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 financial statements. Changes in estimates are accounted for prospectively.

In order to enhance understanding of the 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 standalone financial statements have been identified as under:

Significant management judgements:

1. Recoverable amount of property, plant and equipment

In assessing impairment, Company 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 Company. 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 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 Company 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 Company 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.

3. Liability for de-commissioning of asset

The liability for de-commissioning is measured on the basis of present estimated cost to decommission the asset, current inflation rate and discount rate. The Company 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.

5. Property, plant and equipment

(Rs. in lacs)

Particulars	Leasehold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Computers	Equipment & fittings	Total	Capital work-in-progress
Gross Block									
Balance as on April 1, 2019	**7,93.43**	**41,84.02**	**2,40,98.79**	**3,34.79**	**3,29.73**	**1,47.97**	**1,10.63**	**2,99,99.36**	**3,97.14**
Additions *(refer Note 'e' below)*	-	23.66	9,73.46	0.69	24.63	2.77	6.51	10,31.72	1,51.23
Less: Disposals	-	-	37.58	-	53.37	-	-	90.95	5,17.01
Less: Transition on account of IndAS 116	7,93.43	-	-	-	-	-	-	7,93.43	-
Balance as on March 31, 2020	-	**42,07.68**	**2,50,34.67**	**3,35.48**	**3,00.99**	**1,50.74**	**1,17.14**	**3,01,46.70**	**31.36**
Additions *(refer Note 'e' below)*	-	22.00	2,66.96	-	64.29	6.17	0.93	3.60.35	-
Less: Disposals	-	-	-	-	49.60	1.19	0.84	51.63	0.12
Balance as on March 31, 2021	-	**42,29.68**	**2,53,01.63**	**3,35.48**	**3,15.68**	**1,55.72**	**1,17.23**	**3,04,55.42**	**31.24**
Accumulated Depreciation									
Balance as on April 1, 2019	89.35	7,60.47	98,13.86	2,02.60	1,31.36	1,30.01	87.94	1,12,15.59	-
Add: depreciation for the year	-	1,28.40	9,86.22	21.77	34.00	5.92	8.12	11,84.43	-
Less: Disposals	-	-	11.27	-	39.02	-	-	50.29	-
Less: Transition on account of IndAS 116	89.35	-	-	-	-	-	-	89.35	-
Balance as on March 31, 2020	-	**8,88.87**	**1,07,88.81**	**2,24.37**	**1,26.34**	**1,35.93**	**96.06**	**1,22,60.38**	-
Add: depreciation for the year	-	1,29.01	10,04.66	20.95	35.96	4.46	7.76	12,02.80	-
Less: Disposals	-	-	-	-	29.25	0.98	0.80	31.03	-
Balance as on March 31, 2021	-	**10,17.88**	**1,17,93.47**	**2,45.32**	**1,33.05**	**1,39.41**	**1,03.02**	**1,34,32.15**	-
Balance as on March 31, 2021	-	**32,11.80**	**1,35,08.16**	**90.16**	**1,82.63**	**16.31**	**14.21**	**1,70,23.27**	31.24
Balance as on March 31, 2020	-	**33,18.81**	**1,42,45.86**	**1,11.11**	**1,74.65**	**14.81**	**21.08**	**1,78,86.32**	31.36

Notes:

a) Refer Note 23 for information on property, plant and equipment pledged as security by the Company;

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

c) Capital work-in-progress includes leasehold land in possession of the Company and of which the Company is the beneficial owner is pending for transfer in the name of the Company and for which necessary steps were being taken; (transferred in the name of the Company after March 31, 2021)

d) The Company 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 usual course of business; there is no indication to the contrary and accordingly the management is of the view that no impairment provision is called for in these accounts;

e) Exchange differences on all long-term monetary items resulted in an addition of Rs.1,24.45 lacs (March 31, 2020: addition of Rs. 2,65.64 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

(Rs. in lacs)

	Computer software	Technical knowhow	Total
Gross block			
Balance as at April 1, 2019	28.32	3,48.38	3,76.70
Additions	-	-	-
Balance as at March 31, 2020	28.32	3,48.38	3,76.70
Additions	-	-	-
Balance as at March 31, 2021	28.32	3,48.38	3,76.70
Accumulated amortisation			
Balance as at April 1, 2019	28.32	3,48.38	3,76.70
Add: Amortisation during the year	-	-	-
Balance as at March 31, 2020	28.32	3,48.38	3,76.70
Add: Amortisation during the year	-	-	-
Balance as at March 31, 2021	28.32	3,48.38	3,76.70
Net balance as at March 31, 2020	-	-	-
Net balance as at March 31, 2021	-	-	-

7. Investments (Non-current)

Investments measured at amortised cost

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Investments in equity shares of wholly owned subsidiaries:		
Unquoted (valued at cost - non-trade)		
10,00,000 equity shares (March 31, 2020: 10,00,000 equity shares) of Rs.10 each in Xpro Global Limited (out of which 9,50,000 equity shares (March 31, 2020: 9,50,000 equity shares) partly paid up of Rs.5 each)	52.50	52.50
Less: decline, other than temporary, in value of investment, written off	(51.00)	
Nil equity shares (March 31, 2020: 50,000 equity shares) at SGD 1 each fully paid up in Xpro Global Pte Ltd *	-	18.39
Aggregate amount of unquoted investments	**1.50**	**70.89**
Aggregate amount of decline, other than temporary, in value of unquoted investment	51.00	-

*Xpro Global Pte. Ltd. applied voluntarily and was struck off the Register of Companies by the regulatory agency in Singapore, w.e.f. February 8, 2021

8. Loans (Non-current)

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Security deposits	1,77.91	1,77.91
Loans to employees	8.88	8.16
Total	**1,86.79**	**1,86.07**

Note: There are no loans due by directors or other officers of the Company 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 financial assets (Non-current)

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
VAT Subsidy	2,13.41	2,13.41
Total	**2,13.41**	**2,13.41**

10. Non-current tax assets (net)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Pre-paid taxes *(net of provision for tax Rs. Nil; previous year Rs.71.92 lacs)*	2,01.87	53.69
Total	**2,01.87**	**53.69**

11. Other assets (Non-current)

(Considered good, unsecured) (Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Capital advances [*refer Note (a) and (b) below*]	-	11.42
Advances other than capital advances		
- Pre-paid expenses	10.78	13.62
- Balances with statutory authorities	43.85	44.63
Total	**54.63**	**69.67**

Note:

Capital commitment:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for in the amount (net of capital advances): Rs. Nil (March 31, 2020: Rs.52.18 lacs)

b) Unpaid portion of subscribed equity capital in subsidiary: Rs.47.50 lacs (March 31, 2020: Rs.47.50 lacs)

12. Inventories

(valued at lower of cost and net realisable value) (Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Raw material	23,62.53	21,62.30
Work-in-progress	2,29.06	3,31.26
Finished products	11,45.98	13,49.29
Stores and spares	3,66.17	3,30.48
Total	**41,03.74**	**41,73.33**

Note: Raw materials includes goods in transit: Rs. Nil (March 31, 2020: Nil)

13. Trade receivables (Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Trade receivables: Considered good, unsecured	66,38.12	52,73.04
Total	**66,38.12**	**52,73.04**

Note:

(a)There are no amounts due by directors or other officers of the Company 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 (Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Balance with banks in current accounts	1,64.53	5,80.32
Cash on hand	3.94	3.05
Total	**1,68.47**	**5,83.37**

15. Other bank balances (Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Deposit accounts with original maturity of more than 3 months and remaining maturity of less than 12 months	62.69	67.02
Unclaimed dividend accounts *	-	4.98
Earmarked balances with bank (held as margin money)	3,52.89	3,78.61
Total	**4,15.58**	**4,50.61**

* not due for deposit in Investor Education and Protection Fund

16. Loans (Current)

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Security deposits	1,00.62	1,00.62
Loans to employees	8.71	8.44
Total	**1,09.33**	**1,09.06**

17. Other financial assets (Current)

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Recoverable from others *(refer note 20)*	70.80	70.80
Total	**70.80**	**70.80**

18. Current tax assets

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Income-tax	2.08	77.51
Total	**2.08**	**77.51**

19. Other current assets

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Advance to suppliers	12.72	79.69
Prepaid expenses	74.94	83.58
Balance with government authorities	35.18	2,32.27
Other receivable		
Loans - considered good, unsecured	42.71	54.56
Total	**1,65.55**	**4,50.10**

Notes:

(a) The management assesses the fair value of these financial assets not to be materially different from the amounts recognised in the financial statements;

(b) Balance with government authorities represents goods and service tax (earlier service tax) paid on inputs (earlier input and services) consumed by the Company and eligible for utilisation towards discharge of goods and service tax (earlier service tax liability) in respect of services rendered by the Company. The Company expects the utilisation of outstanding balances as at each date of statement of financial position within twelve months thereof.

20. Assets held for sale

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Property, plant and equipment	5,21.46	5,09.08
Total	**5,21.46**	**5,09.08**

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 Biax Division Unit 1 are presented as 'Assets held for sale' separately from other assets in the balance sheet. Sale has been delayed as all required approvals could not be obtained due, inter alia, to the pandemic and reasons beyond the control of the Company and is now expected to be sold during 2021-22.

The carrying value of asset held for sale as on the date of agreement does not exceed the fair value less cost to sell and hence there is no impairment loss to be recognised in the statement of profit and loss account.

During the previous year trial run cost of Rs.70.80 lacs had been incurred which is recoverable as a part of sale consideration.

21. Equity Share Capital

(Rs.in lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised Share Capital		
3,50,00,000 (March 31, 2020: 3,50,00,000) Equity shares of Rs.10 each	35,00.00	35,00.00
Issued, Subscribed & Paid-up		
1,18,13,487 (March 31, 2020: 1,18,13,487) equity shares of Rs.10 each fully paid	11,81.35	11,81.35
Share Capital Suspense		
13 (March 31, 2020:13) equity shares of Rs.10 each fully paid	-*	-*
(*rounded off to Rs. Nil)	**11,81.35**	**11,81.35**

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 and 1 equity share of Rs.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:

	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Number of equity shares	Amount (Rs.in lacs)	Number of equity shares	Amount (Rs.in lacs)
At the beginning/end of the year	**1,18,13,500**	**11,81.35**	**1,18,13,500**	**11,81.35**

c) Terms/rights attached to equity shares

The Company has issued only one class of equity shares having a par value of Rs. 10 per share. All Equity Shares carry one vote per share without restrictions and are entitled to Dividend, as and when declared. All shares rank equally with regard to the Company's residual assets.

d) Shareholder(s) holding more than 5% shares in the Company:

Name of the Shareholder(s)	As at March 31, 2021	As at March 31, 2020
i) Intellipro Finance Private Limited		
- No. of shares	23,05,000	23,05,000
- % of shares held	19.51	19.51
ii) iPro Capital Limited		
- No. of shares	29,40,000	29,40,000
- % of shares held	24.89	24.89

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

f) There are no options outstanding as at the end of the year.

22. Other Equity

(Rs.in lacs)

Particulars	Reserves and surplus				Total
	Capital subsidy reserve	Securities premium	General reserve	Retained earnings	
Balance as at April 1, 2019	**60.50**	**4,06.58**	**67,50.00**	**(2,62.03)**	**69,55.05**
Profit for the year	-	-	-	1,20.91	1,20.91
Remeasurement of defined benefit plans (net of tax)	-	-	-	(20.32)	(20.32)
Balance as at March 31, 2020	**60.50**	**4,06.58**	**67,50.00**	**(1,61.44)**	**70,55.64**
Profit for the year	-	-	-	7,91.00	7,91.00
Remeasurement of defined benefit plans (net of tax)	-	-	-	(39.55)	(39.55)
Balance as at March 31, 2021	**60.50**	**4,06.58**	**67,50.00**	**5,90.01**	**78,07.09**

Nature and purpose of reserves

a) Capital subsidy reserve

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

b) **Securities premium reserve**
Securities premium reserve 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 annual profits.

d) **Retained earnings**
Represents the profit/(loss) accumulated over the years.

23. Non-current financial liabilities - Borrowings (Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Loans from banks - Secured		
Term loans *(refer note a to s)*	76,97.38	77,93.83
Foreign currency borrowings *(refer note t)*	19,83.82	28,77.76
Vehicle loans *(refer note u)*	19.48	-
Total	**97,00.68**	**1,06,71.59**

a. Term loan from State Bank of India, outstanding Rs.2,72.00 lacs (previous year: Rs.2,96.10 lacs), carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.3.00 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.10.00 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.12.00 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.12.50 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to Oldenburgische Landesbank AG ('OLB')) of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders.

b. Term Loan from Punjab National Bank, outstanding Rs.5,74.78 lacs (previous year: Rs.5,93.21 lacs), carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.7.25 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.24.00 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.28.75 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.30.00 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders.

c. Term Loan from State Bank of India, outstanding Rs.14,08.00 lacs (previous year: Rs.15,94.00 lacs) carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.15.50 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.51.75 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.62.00 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.64.75 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders.

d. Term Loan from State Bank of India, outstanding Rs.10,88.00 lacs (previous year: Rs.12,32.00 lacs) carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.12.00 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.40.00 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.48.00 lacs each starting from April 2019; & (iv) 16 quarterly instalments of Rs.50.00 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders.

e. Term Loan from State Bank of India, outstanding Rs.11,25.50 lacs (previous year: Rs.12,74.75 lacs) carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.12.50 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.41.50 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.49.75 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.51.75 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders.

f. Term Loan from Indian Bank, outstanding Rs.10,20.00 lacs (previous year: Rs.11,12.00 lacs), carrying interest linked to the bank's MCLR is repayable in (i) 2 quarterly instalments of Rs.7.50 lacs each starting from October, 2016; (ii) 4 quarterly instalments of Rs.11.25 lacs each starting from April 2017; (iii) 4 quarterly instalments of Rs.37.50 lacs each starting from April 2018 (iv) 12 quarterly instalments of Rs.44.50 lacs each starting from April 2019 & (v) 16 quarterly instalments of Rs.47.25 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders.

g. Corporate Loan from State Bank of India outstanding Rs.1,67.79 lacs (previous year: Rs.1,67.79 lacs) carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.4.00 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.13.25 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.15.75 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.16.50 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders.

h. Corporate Loan from State Bank of India, outstanding Rs.10,20.00 lacs (previous year: Rs.11,41.99 lacs), carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.11.25 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.37.50 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.45.00 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.47.00 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders.

i. Corporate Loan from State Bank of India, outstanding Rs.2,47.00 lacs (previous year: Rs.2,80.00 lacs), carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.2.75 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.9.25 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.11.00 lacs each starting from April 2019 & (v) 16 quarterly instalments of Rs.11.50 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company & second charge on all the current assets of the Company ranking pari-passu with other term lenders.

j. Corporate Loan from Indian Bank, outstanding Rs. Nil (previous year: Rs.3,45.65 lacs), carrying interest linked to the bank's MCLR was repayable in (i) 2 quarterly instalments of Rs.4.45 lacs each starting from October, 2016; (ii) 4 quarterly instalments of Rs.6.65 lacs each starting from April 2017; (iii) 4 quarterly instalments of Rs.22.15 lacs each starting from April 2018 (iv) 12 quarterly instalments of Rs.26.30 lacs each starting from April 2019 & (v) 16 quarterly instalments of Rs.27.90 lacs each starting from April 2022 and was secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders. The loan has been fully repaid during the year.

k. Term Loan from Punjab National Bank, outstanding Rs.3,39.77 lacs (previous year: Rs.4,18.72 lacs), carrying interest linked to the bank's MCLR, is repayable in (i) 24 quarterly instalments of Rs.25.00 lacs each starting from June, 2020; and is secured by exclusive 1st charge on the assets to be acquired out of above loan and ranking pari passu 2nd charge on all the current assets of the Company with other term lenders.

l. Working Capital Term Loan from State Bank of India, outstanding Rs. Nil (previous year: Rs. 94.75 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 4 quarterly instalments of Rs.3.75 lacs each starting from April 2017; (ii) 8 quarterly instalments of Rs.5.75 lacs each starting from April 2018; (iii) 4 quarterly instalments of Rs.6.75 lacs each starting from April 2020; & (iii) 8 quarterly instalments of Rs.7.75 lacs each starting from April 2021, was secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders. The loan has been fully repaid during the year.

m. Working Capital Term Loan from State Bank of India, outstanding Rs. Nil (previous year: Rs. 86.36 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 4 quarterly instalments of Rs.3.53 lacs each starting from April 2017 (ii) 8 quarterly instalments of Rs.5.29 lacs each starting from April 2018; (iii) 4 quarterly instalments of Rs.6.17 lacs each starting from April 2020 & (iv) 8 quarterly instalments of Rs.7.05 lacs each starting from April 2021 was secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders. The loan has been fully repaid during the year.

n. Working Capital Term Loan from State Bank of India, outstanding Rs. Nil (previous year: Rs.67.00 lacs), carrying interest linked to the bank's MCLR, repayable in (i)2 quarterly instalments of Rs.1.50 lacs each starting from October, 2016 (ii) 4 quarterly instalments of Rs.2.50 lacs each starting from April 2017; (iii) 8 quarterly instalments of Rs.4.00 lacs each starting from April 2018 (iv) 4 quarterly instalments of Rs.4.75 lacs starting from April, 2020 & (v) 8 quarterly instalments of Rs.5.50 lacs each starting from April 2021 was secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to

'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders. The loan has been fully repaid during the year.

o. Working Capital Term Loan from Indian Bank, outstanding Rs. Nil (previous year: Rs.95.00 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 2 quarterly instalments of Rs.2.00 lacs each starting from October, 2016 (ii) 4 quarterly instalments of Rs.4.00 lacs each starting from April 2017; (iii) 8 quarterly instalments of Rs.6.00 lacs each starting from April 2018 (iv) 4 quarterly instalments of Rs.7.25 lacs each starting from April 2020 & iv) 8 quarterly instalments of Rs.8.25 lacs each starting from April 2021 was secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Company and second charge on all the current assets of the Company ranking pari-passu with other term lenders. The loan has been fully repaid during the year.

p. The Company has been granted a moratorium of 6 months w.e.f. March 2020 for payment of instalment(s) on above mentioned terms loans as per RBI guidelines following the Covid-19 pandemic; payment schedule would extend accordingly.

q. Working Capital Term Loan from State Bank of India, under Guaranteed Emergency Credit Line 2.0 (GECL2.0) scheme, outstanding Rs.16,00.00 lacs (previous year: Rs. Nil), carrying interest linked to the bank's MCLR, repayable in (i) 47 monthly instalments of Rs.33.33 lacs each starting from January 2022 & (ii) last instalment of Rs.33.49 lacs in December 2025 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).

r. Working Capital Term Loan from Punjab National Bank, under GECL2.0 scheme, outstanding Rs.2,30.00 lacs (previous year: Rs. Nil), carrying interest linked to the bank's MCLR, repayable in (i) 35 monthly instalments of Rs.6.38 lacs each starting from February 2022 & (ii) last instalment of Rs.6.70 lacs in January 2025 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.

s. The above-mentioned term loans carry interest rate between 7.9 to 12 % per annum.

t. ECB from Oldenburgische Landesbank AG ('OLB'), in the nature of term loan, outstanding €3,402,008; equivalent to Rs.29,75.74 lacs (previous year: €4,536,011; equivalent to Rs.38,37.01 lacs), carrying annual interest at Euribor + 1.75% is repayable in 14 semi-annual instalments of €567,001.34 each, along with interest, commencing from April 2017, is secured by hypothecation of specified Dielectric Film Line and slitter at Barjora and is insured under Hermes export credit guarantee;

u. Vehicle Loan(s) of Rs.30.61 lacs (previous year: Rs.7.99 lacs) carrying interest at between 9 to 9.5 % per annum, repayable in 36 monthly instalment(s) commencing from date of disbursement, are secured by hypothecation of specified vehicles;

v. Lenders retain the right to recompense for NPV loss amount of Rs. 3,65.00 lacs arising on rescheduling of term loans effective April 1, 2016;

w. There has been no default in servicing of loans and interest due thereon during and as at the end of the year;

x. Rs.80.46 lacs, (March 31, 2020: Rs.1,43.27 lacs) has been adjusted against long term borrowings being adjustments on account of adoption of Ind AS.

y. Interest accrued and due on above borrowings is Rs.80.72 lacs (March 31, 2020: Rs.86.61 lacs).

24. Non-current financial liabilities - Others (Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Security deposits	6.57	6.57
Total	**6.57**	**6.57**

25. Provisions (Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Non-current		
Gratuity *(refer Note 40 A)*	4,06.09	5,23.77
Compensated absences	23.56	15.00
	4,29.65	**5,38.77**

26. Deferred tax

As per Ind AS 12 - Income Taxes, deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. The Company has taken strategic steps to rationalize and improve operations including through discontinuing un-economic activities and impact of these steps have started bearing positive results. However, as a matter of abundant caution, deferred tax assets have been recognized only to the extent of deferred tax liability.

Unrecognised deferred tax assets/liabilities (net): (Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Deferred tax liability		
Fixed assets:	3,84.00	12,70.00
Impact of difference between book and tax depreciation		
Gross deferred tax liability	**3,84.00**	**12,70.00**
Deferred tax assets		
Carried forward of losses	31,44.00	39,78.00
Expenses deductible on payment basis	53.00	48.00
Gross deferred tax assets	31,97.00	40,26.00
Deferred tax assets to the extent of deferred tax liabilities recognized	**3,84.00**	**12,70.00**
Net deferred tax liability	-	-

The carry forward tax losses as at March 31, 2021, expire as follows:-

Loss for the tax assessment year ended	Losses with expiry: Tax loss Rs.Lacs	Losses with expiry: Expires on	Losses with no expiry: Unabsorbed depreciation Rs.Lacs
2013-14	-	-	1,79.79
2014-15	-	-	7,87.77
2015-16	22,58.28	March 31, 2024	18,67.05
2016-17	6,43.72	March 31, 2025	27,15.43
2017-18	-	-	17,67.16
2018-19	-	-	10,66.29
2020-21	-	-	4,90.51

Reconciliation of tax and book profit (Rs. in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax	13,03.65	1,21.75
Tax rate (%)	25.17	34.94
Tax expense at above rate	3,28.13	42.54
Tax impact of utilisation of brought forward losses	(3,28.13)	(42.54)
Current Tax	-	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Deferred Tax (MAT payable)	-	26.00
Less: MAT credit utilised		(26.00)
Income tax expense	-	-
Deferred Tax	5,33.58	-
Add: Tax adjusted for earlier years	(20.93)	0.84
Total tax expense	5,12.65	0.84

1) The Company has opted for the alternate tax regime under Section 115BAA of the Income Tax Act, 1961, with effect from the Financial Year 2019-20, which allows the Company a lower tax rate of 25.17% (against 34.94%) but restricts availability of exemptions/incentives under different provisions of income tax, and is accompanied with immediate expiry of carry forward balance of Minimum Alternative Tax (MAT) credit.
2) The Deferred Tax Assets/Liabilities as at March 31, 2021 and March 31, 2020 and the estimate of Tax Expense for the year ended March 31, 2021 have been accordingly re-measured and Deferred Tax Asset amounting to Rs.5,33.58 lacs, in the nature of MAT credit carried forward has been written off in current financial year as no longer available to the Company.
3) Taxable income for financial year 2020-21 has been adjusted against assessed Business Losses brought forward and revised return for A.Y. 2020-21 has been filed since the end of the year;
4) Consequent to adoption of alternate tax regime, the provisions of Section 115JB relating to MAT shall not be applicable to the Company; accordingly no MAT liability has been recognised by the Company.

27. Current financial liabilities - Borrowings

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Secured		
Loans repayable on demand		
- Working capital loan from banks	11,71.97	35,78.98
Unsecured		
Loans from others repayable on demand	-	4,00.00
Total	**11,71.97**	**39,78.98**

a) Working Capital loans, repayable on demand, and bearing interest at the rate of between 10 to 12 % 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 Company, present and future, and second charge, ranking pari-passu with term lender banks, on the entire fixed assets of the Company, present and future, wherever situated.

b) Loans from others represents inter-corporate deposits repayable on demand and bearing interest at the rate of 10% per annum.

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

28. Current financial liabilities – Trade payables

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Trade payables		
Dues to micro & small enterprises	1,37.67	20.94
Dues to creditors other than micro & small enterprises	50,93.47	42,82.43
Acceptances	19,95.34	13,44.28
Total	**72,26.48**	**56,47.65**

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 47 for information on the Company's credit risk management processes.

b) Acceptances include arrangements where operational supplies of goods and services are initially paid by banks while the Company continues to recognise the liability till settlement with the banks which are normally effected within a period of 90 days.

c) Disclosures with respect to related party transactions is given in note 42.

d) Micro & small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. The disclosure pursuant to MSMED Act on the amount due to micro and small enterprises is given below:

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Principal amount due and remaining unpaid	1,37.67	20.94
Interest due on above and remaining unpaid	-	-
Interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	-	-
Payment made to suppliers (other than interest) beyond appointed day	-	-
Interest paid in terms of Sec.16 of MSMED Act	-	-
Further interest remaining due and payable in the succeeding years for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act	-	-
Interest due and payable to suppliers under MSMED Act towards payments made	-	-
Interest accrued and remaining unpaid	-	-

29. Current financial liabilities – Others

	As at March 31, 2021	As at March 31, 2020
		(Rs. in lacs)
Current maturities of long-term borrowings (refer note 23)	24,16.41	19,16.07
Creditors for capital expenditure	0.20	3.13
Interest accrued but not due	15.72	31.74
Unclaimed dividend *	-	4.98
Employees payables	1,82.18	1,49.56
Security deposit received	4.80	4.60
Total	**26,19.31**	**21,10.08**

* does not include any sum due to be transferred to Investor Education & Protection Fund

30. Other current liabilities

	As at March 31, 2021	As at March 31, 2020
		(Rs. in lacs)
Advance from customer	10.75	13.80
Statutory dues payable	1,82.67	1,15.67
Advance against sale of 'assets held for sale'	2,25.00	1,00.00
Total	**4,18.42**	**2,29.47**

31. Revenue from operations

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.in lacs)
Sale of products *(refer note 49)*		
- Finished goods	3,67,91.75	3,51,47.90
Other operating income		
- Scrap sale	5,33.89	2,93.67
- Export incentives and margins	9.72	42.36
Total	**3,73,35.36**	**3,54,83.93**

32. Other income

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.in lacs)
Interest on		
- Fixed deposits	19.33	18.28
- Others	21.07	16.15
- Income-tax refund	5.96	8.16
Dividend Income	0.05	0.08
Other non-operating income		
- Foreign currency transactions (net)	41.01	0.07
- Excess provision written back	87.30	70.35
- Profit on repatriation of investment in foreign subsidiary	5.54	-
- Miscellaneous income	34.91	28.91
Total	**2,15.17**	**1,42.00**

33. Cost of materials consumed

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.in lacs)
Inventories at the beginning of the year	21,62.30	22,60.18
Add: Purchases during the year	2,70,94.36	2,62,99.61
Less: Rebates received/returns	6,93.38	1,51.05
Less: Inventories at the end of the year	23,62.53	21,62.30
Cost of materials consumed	**2,62,00.75**	**2,62,46.44**

34. Changes in inventories of finished and work-in-progress

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Inventories at the beginning of the year		
Finished goods	13,49.29	6,59.94
Work-in-progress	3,31.26	3,77.97
	16,80.55	10,37.91
Inventories at the end of the year		
Finished goods	11,45.98	13,49.29
Work-in-progress	2,29.06	3,31.26
	13,75.04	16,80.55
Net (decrease)/increase	**3,05.51**	**(6,42.64)**

35. Employees benefits expense

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages & bonus	22,79.86	21,32.37
Contribution to provident and other funds	2,77.70	2,55.25
Staff welfare expenses	1,25.55	1,27.35
Total	**26,83.11**	**25,14.97**

Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 40

36. Finance costs

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense on borrowings measured at amortised cost	11,59.33	12,39.48
Interest on lease liability	26.82	28.13
Interest expense on defined benefit obligation	78.26	75.32
Other borrowing costs	4,67.11	5,15.34
Total	**17,31.52**	**18,58.27**

37. Depreciation and amortisation expenses

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on tangible assets	12,02.80	11,84.43
Depreciation on right-to-use assets	36.89	36.91
Total	**12,39.69**	**12,21.34**

38. Other expenses

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Consumption of stores and spares	8,60.76	9,08.81
Processing charges	34.52	46.46
Power & Fuel	19,99.65	22,97.45
Rent	45.24	14.99
Repairs to:		
- Buildings	15.81	19.35
- Plant & Machinery	1,08.74	1,27.41
- Others	22.32	16.61
Communication	16.76	18.42
Director's Fees	35.05	18.33
Insurance	78.07	63.04
Legal & professional	1,05.62	80.75
Rates & Taxes	42.68	30.45
Security expenses	64.15	59.19
Travelling and conveyance	75.62	1,72.52
Rebate and commission	2,90.07	1,33.54
Payment to Auditors *(refer note 'a' below)*	19.53	29.05

Other expenses (continued)

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Other selling expenses	8.69	8.68
Loss on disposal/discard of property, plant and equipment	0.07	26.51
Miscellaneous expenses	2,11.95	2,34.24
Total	**40,35.30**	**43,05.80**

a) Payment to auditors

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
To Statutory Auditors		
- As Auditors	18.00	19.00
- Reimbursement of expenses	1.53	10.05
	19.53	**29.05**

39. Earnings per share (EPS)

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
a) Profit for the year attributable to equity shareholders (A)	7,91.00	1,20.91
b) Weighted average number of equity shares outstanding during the year for computation of Basis EPS	1,18,13,500	1,18,13,500
Weighted average number of equity shares outstanding during the year for computation of Diluted EPS	1,18,13,500	1,18,13,500
Nominal value per share (Rs.)	10	10
c) Basic earnings per equity share (face value Rs.10 each) (A/B) (Rs.)	**6.70**	**1.02**
Dilutive earnings per equity share (face value Rs.10 each) (A/B) (Rs.)	**6.70**	**1.02**

Note: there are no dilutive shares as on March 31, 2021 and March 31, 2020

40. Employee benefits

Defined Contribution Plan

The Company makes contribution towards provident fund and ESI for qualifying employees to government administered /approved funds wherein the Company is required to contribute a specified percentage of payroll cost to the schemes to fund the benefits. The Company has no further obligations beyond the periodic contributions.

The Company recognized Rs.2,77.70 lacs (March 31, 2020: Rs 2,55.25 lacs) towards provident fund contributions and ESI contribution in the Statement of Profit and Loss included in "Employee benefits expense" (note 35).

Defined Benefit Plan

A. Gratuity

The Company provides for gratuity as per the Payment of Gratuity Act, 1972 or as per applicable Company rules, whichever is higher. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The Company accounts for the liability for gratuity benefits payable in future based on actuarial valuation.

The following table sets out the status of the gratuity plan, based on the actuarial valuation obtained in this respect and the amounts recognised in the Company's financial statements as at balance sheet date:

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
(i) Asset/(Liability) recognised in Balance Sheet		
Present value of the obligation at end of the year	9,99.00	9,26.85
Fair value of plan assets	5,92.90	4,03.08
Net assets/(liability) recognised in balance sheet as provision	**4,06.10**	**5,23.77**
(ii) Amount recognised in the statement of profit and loss is as under:		
Current service cost	49.45	46.10
Net interest cost	28.81	30.31
Expense recognised in the income statement	**78.26**	**76.41**

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.in lacs)
(iii) Amount recognised in other comprehensive income is as under:		
Actuarial gain/(loss) for the year on defined benefit obligation	(36.82)	(23.79)
Actuarial gain/(loss) for the year on plan assets	(2.73)	3.47
Total actuarial gain/(loss) for the year	**(39.55)**	**(20.32)**
(iv) Movement in the liability recognised in the balance sheet is as under:		
Present value of defined obligation as at start of the year	9,26.85	8,36.14
Current service cost	49.45	46.10
Interest cost	60.25	56.85
Actuarial loss/(gain) recognised during the year	36.82	23.79
Benefits paid	(74.37)	(36.03)
Present value of defined benefit obligation as at the end of the year	**9,99.00**	**9,26.85**
(v) Movement in the plan assets recognised in the balance sheet is as under:		
Fair value of plan assets at beginning the year	4,03.08	4,07.66
Expected return on plan assets	31.43	26.55
Employer's contribution	2,00.00	-
Benefits paid	(38.87)	(34.60)
Actuarial gain/(loss) on plan assets	(2.74)	3.47
Fair value of plan assets at the end of the year	**5,92.90**	**4,03.08**
Actual return on plan assets	28.70	30.02
(vi) Breakup of actuarial (gain)/loss on defined benefit obligation:		
Actuarial (gain)/loss on arising from change in financial assumption	7.86	21.01
Actuarial (gain)/loss on arising from experience adjustment	28.95	2.78
Total actuarial (gain)/loss for the year	**36.81**	**23.79**
(vii) Actuarial assumptions:		
Discount rate (%)	6.50	6.80
Future salary increase (%)	6.00	6.00
Expected average remaining working lives of employees (years)	14.31	13.69

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2006-08) Ultimate table.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

(viii) Sensitivity analysis for gratuity liability		
Impact of the change in discount rate		
Effect on present value of gratuity obligation		
- Impact due to increase of 1 %	**(25.02)**	**(23.20)**
- Impact due to decrease of 1 %	**28.75**	**26.41**
Impact of the change in salary increase		
Effect on present value of gratuity obligation		
- Impact due to increase of 1 %	**25.35**	**26.36**
- Impact due to decrease of 1 %	**(28.60)**	**(23.58)**
(ix) Expected (undiscounted) benefit payments in future years		
Projections are for current members and their currently accumulated benefits		
Year- 1	6,43.13	5,83.66
Year- 2	69.67	47.23
Year- 3	28.44	59.65
Year- 4	27.36	25.90
Year- 5	46.68	24.57
Year- 6 to Year- 10	1,43.98	1,40.01

(x) **Category of plan assets**

LIC managed fund	100 %	100 %

B. Compensated absence:

The leave obligations cover the Company's liability for earned leave and sick leave. The liability towards compensated absences in the nature of earned leave for the year ended March 31, 2021 based on the actuarial valuation carried out by using projected accrued benefit method as reduced by the contribution in the plan assets has resulted in a net asset of Rs.13.22 lacs (as on March 31, 2021) and Rs.54.19 lacs (as on March 31, 2020) which has been shown under financial assets under Financial Statements. Liability towards sick leave, Rs.23.56 lacs as on March 31, 2021 (Rs.15.00 lacs as on March 31, 2020), has been shown under Provisions in the Financial Statements.

41. Contingent Liabilities

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Claims against the Company, not acknowledged as debt	2.50	2.50
Sales tax, Excise & Customs matters under appeal	3,66.06	3,68.64
Others	36.68	36.68

Note: 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 Company as no reliable estimate can yet be made.

42. Related party disclosures: According to Ind AS 24 '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. Subsidiary companies (wholly owned)
   - a) Xpro Global Limited;
   - b) Xpro Global Pte. Ltd., Singapore *(till February 8, 2021)*

2. Entities exercising significant influence over the Company
   - a) iPro Capital Limited;
   - b) Intellipro Finance Pvt. Ltd.;

3. Entities over which Key Managerial Personnel have control
   - a) Alpha Capital Resources Pte. Ltd., Singapore;
   - b) Tanjore Partners LLP;

4. Post-employment benefit funds
   - a) Xpro India Limited Employees Provident Fund Trust
   - b) Xpro India Limited Senior Officers Superannuation Fund
   - c) Xpro India Limited Employees Gratuity Fund

5. 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 Amitabha Guha;
     - (ii) Sri Ashok Kumar Jha;
     - (iii) Sri Utsav Parekh;
     - (iv) Sri S Ragothaman:
     - (v) Smt. Vijaya Sampath *(upto 17/6/2020)*

c) Non-executive Non-Independent Directors:
   (i) Smt Madhushree Birla

d) Others:
   (i) Sri H Bakshi, *Sr. President & COO*
   (ii) Sri V K Agarwal, *President (F) & CFO*
   (iii) Sri S C Jain, *Company Secretary (upto 30/6/2020)*
   (iii) Sri Amit Dhanuka, *Company Secretary (w.e.f. 1/7/2020)*

B. Transactions with Related Parties:

(Rs.in lacs)

Related Party	Nature of transaction	Year ended March 31, 2021	Year ended March 31, 2020
Xpro Global Limited	Expenses/amounts recovered	-	63.11
iPro Capital Limited	Aggregate of short-term inter-corporate deposits received from time to time	-	1,00.00
	Aggregate ICD repayments	1,00.00	-
	Outstanding amount at year end	-	1,00.00
	Interest paid on inter-corporate deposits	9.97	9.31
Xpro India Limited Employees Provident Fund Trust	Employer's contribution to post employment benefit fund	49.70	51.13
Xpro India Limited Senior Officers Superannuation Fund	Contribution to post employment benefit fund (with LIC)	38.77	37.90
Xpro India Limited Employees Gratuity Fund	Contribution to post employment benefit fund (with LIC)	2,00.00	-
Sri Sidharth Birla	Remuneration (including leave encashment)	91.08	1,15.81
Sri C Bhaskar	Remuneration (including leave encashment)	1,47.46	1,20.70
Smt Madhushree Birla	Sitting Fees	5.60	2.50
Sri Amitabha Guha	Sitting Fees	8.45	4.18
Sri Ashok Kumar Jha	Sitting Fees	6.40	2.00
Ms Nandini Khaitan *(upto 7/8/19)*	Sitting Fees	-	1.50
Sri Utsav Parekh	Sitting Fees	6.95	2.45
Sri S Ragothaman	Sitting Fees	7.55	4.20
Smt Vijaya Sampath *(6/11/19 - 17/6/20)*	Sitting Fees	0.10	1.50
Sri H Bakshi	Remuneration	1,01.88	85.77
Sri V K Agarwal	Remuneration	75.57	62.35
Sri S C Jain	Remuneration	18.08	41.34
Sri Amit Dhanuka	Remuneration	14.64	-

C. No Balances were outstanding at the end of the current or previous year from/to any of the Related parties, other than as stated above.

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

43. Exceptional items

Exceptional items: Rs.51.00 Lacs (Rs. Nil in 2019-20) represents the amount of decline, other than temporary, in value of unquoted investment in Xpro Global Limited written off.

44. Segment Information

The Company 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 Rs.1,73,37.31 lacs (previous year: Rs. 1,73,40.13 lacs) was derived from external customers each accounting for over ten percent of the revenue.

45. CSR Expenditure

Gross amount required to be spent by the Company (i.e. 2% of Average Net Profits u/s 198 of Companies Act. 2013 of last three years): Rs. Nil (Previous year: Rs. Nil)

46. Fair Value Measurement

Financial instrument by category

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

Fair Value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position 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.

There are no financial instruments held by the Company which require classification within the above three levels.

Financial instrument by category measured at amortised cost (Rs. in lacs)

Particulars	March 31, 2021		March 31, 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
- Loans	1,86.79	1,86.79	1,86.07	1,86.07
Total	1,86.79	1,86.79	1,86.07	1,86.07
Financial liabilities				
- Borrowings	97,00.68	97,00.68	1,06,71.59	1,06,71.59
- Other financial liabilities	6.57	6.57	6.57	6.57
- Lease liabilities	2,18.57	2,18.57	2,31.64	2,31.64
Total	99,25.82	99,25.82	1,09,09.80	1,09,09.80

The management assessed that for current assets including security deposits, loans, cash and cash equivalents, trade receivables, other recoverable, borrowings, trade payables and other current financial liabilities, 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) Long-term fixed-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the counterparty and other market risk factors.

(ii) The fair values of the Company's interest-bearing borrowings, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2021 was assessed to be insignificant.

(iii) All the long-term borrowing facilities availed by the Company 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 Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

47. Financial risk management

i) Financial instrument by category

(Rs. in lacs)

Particulars	March 31, 2021			March 31, 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
- Trade receivable	-	-	66,38.12	-	-	52,73.04
- Cash and cash equivalent	-	-	1,68.47	-	-	5,83.37
- Other Bank balances	-	-	4,15.58	-	-	4,50.61
- Loans	-	-	2,96.12	-	-	2,95.13
- Other financial assets	-	-	2,84.21	-	-	2,84.21
	-	-	78,02.50			68,86.36

(Rs. in lacs)

Particulars	March 31, 2021			March 31, 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
- Lease liabilities	-	-	2,31.64	-	-	2,44.00
- Borrowings	-	-	1,08,72.65	-	-	1,46,50.57
- Trade payables	-	-	72,26.48	-	-	56,47.65
- Other financial liabilities	-	-	26,25.88	-	-	21,16.65
Total	-	-	2,09,56.65	-	-	2,26,58.87

Note: Investment in subsidiaries as at the close of year ended March 31, 2021 and March 31, 2020 respectively are carried at cost, per the exemption availed by the Company; hence not considered herein.

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalent are considered to be the same as their fair values, due to short-term in nature.

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 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, investment carried at amortised cost 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; ii) Moderate credit risk and iii) High credit risk on financial reporting date

The Company 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, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss

Based on business environment in which the entity 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 March 31, 2021	As at March 31, 2020
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	78,02.50	68,86.36

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 country.

Trade receivables

The Company closely monitors the credit-worthiness of the debtors through internal systems for corporate customers, thereby, limiting the credit risk. The Company 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 risk losses for financial assets other than trade receivables

Company 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 Company can draw to apply consistently to entire population. For such financial assets, the Company'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 Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

(Rs. In lacs)

Particulars	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
March 31, 2021				
Investments	52.50	97 %	51.00	1.50
Loans	2,96.12	0 %	-	2,96.12
Trade receivables	66,38.12	0 %	-	66,38.12
Cash and cash equivalents	1,68.47	0 %	-	1,68.47
Bank balances other than above	4,15.58	0 %	-	4,15.58
Other financial assets	2,84.21	0 %	-	2,84.21
March 31, 2020				
Investments	70.89	0 %	-	70.89
Loans	2,95.13	0 %	-	2,95.13
Trade receivables	52,73.04	0 %	-	52,73.04
Cash and cash equivalents	5,83.37	0 %	-	5,83.37
Bank balances other than above	4,50.61	0 %	-	4,50.61
Other financial assets	2,84.21	0 %	-	2,84.21

Expected credit loss for trade receivables under simplified approach

The Company recognizes life-time expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by analyzing historical trends of default. There have been no significant past due trade receivables as Company 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.

(Rs. In lacs)

Particulars		As at March 31, 2021	As at March 31, 2020
Gross amount of trade receivables where no default has occurred		66,38.12	52,73.04
Expected loss rate	(%)	-	-
Expected credit loss (loss allowance provision)		-	-

B. **Liquidity Risk**

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Company 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 Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The tables below analyse the Company'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 undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Rs.in lacs)

Particulars	< 1 year	1 – 5 years *	>5 years	Total
As at March 31, 2021				
Borrowings	11,71.97	96,94.45	6.23	1,08,72.65
Trade payables	72,26.48	-	-	72,26.48
Lease liabilities	13.07	1,06.39	1,12.18	2,31.64
Financial liabilities	26,19.31	6.57	-	26,25.88
Total	**1,10,30.83**	**98,07.41**	**1,18.41**	**2,09,56.65**
As at March 31, 2020				
Borrowings	39,78.98	91,42.09	15,29.50	1,46,50.57
Trade payables	56,47.65	-	-	56,47.65
Lease liabilities	12.36	90.93	140.71	2,44.00
Financial liabilities	21,10.08	6.57	-	21,16.65
Total	**1,17,49.07**	**92,39.59**	**16,70.21**	**2,26,58.87**

*interest outflow of the said liabilities has not been considered

C. **Market risk**

Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the 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 Company. Considering that part of the borrowings are in foreign currency and also purchases are made in foreign currency, the Company'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 March 31, 2021	As at March 31, 2020
Financial liabilities		
Payable on imports		
- USD	25,12,515	10,44,400
Borrowings		
- Euro	3,419,980	4,568,384
Financial assets		
Receivables on export		
- USD	383,774	182,096
- Euro	61,571	-

Sensitivity

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

(Rs. In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
USD sensitivity		
INR/USD – increase by 2 %	(31.62)	(13.14)
INR/USD – decrease by 2 %	31.62	13.14
Euro sensitivity		
INR/Euro – increase by 2 %	(58.79)	(77.29)
INR/Euro – decrease by 2 %	58.79	77.29

Interest rate risk

Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2021, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in Fixed Deposits all pay fixed interest rates.

Interest rate risk exposure

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

(Rs. In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	1,32,08.34	1,60,80.03
Fixed rate borrowings	-	4,00.00
Total borrowings	**1,32,08.34**	**1,64,80.03**

Sensitivity

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

(Rs. In lacs)

Particulars	Year ending March 31, 2021	Year ending March 31, 2020
Interest sensitivity		
Interest rates - increase by 1 %	1,73.15	1,60.80
Interest rates - decrease by 1 %	(1,73.15)	(1,60.80)

Assets

The Company'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 Company'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 Company's capital requirements in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the Company's various classes of debt. The Company 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.

(Rs. in lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Long-term borrowings	97,00.68	1,06,71.59
Current maturities of long-term borrowings	24,16.41	19,16.07
Short-term borrowings	11,71.97	39,78.98
Interest accrued but not due on borrowings	15.72	31.74
Total borrowings	**1,33,04.78**	**1,65,98.38**
Less: Cash and cash equivalents	1,68.47	5,83.37
Bank balance other than above	4,15.58	4,50.61
Net debts	**1,27,20.73**	**1,55,64.40**
Total equity *	**89,88.44**	**82,36.99**
Net debts to equity ratio	**141.52 %**	**188.96 %**

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

48. **Leases**

a. The Company has adopted Ind AS 116 `Lease' from April 1, 2019, which resulted in changes in accounting policies in the standalone financial statements.

b. **Practical expedients applied**

The Company 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 on April 1, 2019 was 11.25% with maturity between 2020 - 2028.

d. Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Company is prohibited from selling or pledging the underlying leased assets as security. For lease over office building the Company must keep the property in a good state 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 Company's leasing activities by type of right-of-use asset recognized on balance sheet:

Right-of-use assets	No. of right-of-use assets leased	Range of remaining term (Years)	Average remaining lease term (years)
Building	1	7	7
Land	3	69 - 85	75.38

There are no leases entered by the Company 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 balance sheet and statement of profit and loss account:**

The balance sheet shows the following amounts relating to leases:

(Rs. in lacs)

	Category of right-of-use assets		
	Land	Building	Total
Balance as at April 1, 2019 (on account of initial application of Ind AS 116)	7,04.08	-	7,04.08
Add: Additions	-	2,55.04	2,55.04
Less: Depreciation charged on the right-of-use	8.58	28.33	36.91
Balance as at March 31, 2020	6,95.50	2,26.71	9,22.21
Add: Additions	-	-	-
Less: Depreciation charged on the right-of-use	8.57	28.32	36.89
Balance as at March 31, 2021	6,86.93	1,98.39	8,85.32

g. **Amount recognised in Statement of Profit or Loss:**

(Rs. in lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
i) Depreciation of right-of-use assets (classified under Depreciation and amortisation expense)	36.89	36.91
ii) Interest on lease liabilities (classified under Finance costs)	26.82	28.13
iii) Expenses related to short term leases (classified under Other expenses)	45.24	14.99

h. The total cash outflow for leases for the year ended March 31, 2021 was Rs. 39.18 lacs (March 31, 2020: Rs.39.18 lacs)

i Future minimum lease payments are as follows: (Rs. in lacs)

As on March 31, 2021

Minimum lease payments due:	Lease Payments	Finance charges	Net present value
Within 1 year	39.18	(25.36)	13.82
1 – 2 years	46.23	(23.35)	22.88
2 – 3 years	46.23	(20.64)	25.59
3 – 4 years	46.23	(17.60)	28.63
4 – 5 years	55.48	(13.72)	41.76
After 5 years	1,10.96	(12.00)	98.96
Total	**3,44.31**	**(1,12.67)**	**2,31.64**

As on March 31, 2020

Minimum lease payments due:	Lease Payments	Finance charges	Net present value
Within 1 year	39.18	(26.82)	12.36
1 – 2 years	39.18	(25.36)	13.82
2 – 3 years	46.23	(23.35)	22.88
3 – 4 years	46.23	(20.64)	25.59
4 – 5 years	46.23	(17.60)	28.63
After 5 years	1,66.45	(25.73)	1,40.72
Total	**3,83.50**	**(1,39.50)**	**2,44.00**

49. Revenue related disclosures (in accordance with 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 Company's revenue from contract with customers is set out below:

(Rs. in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from contracts with customers		
(i) Sale of products:		
(a) Coextruded sheets, cast films and liners	2,79,33.94	2,72,74.20
(b) Biaxially oriented films	88,57.81	78,73.70
(ii) Other operating income	5,43.61	3,36.03
Total revenue covered under Ind AS 115	**3,73,35.36**	**3,54,83.93**

B. Contract balances

Information about contract liabilities and receivables from contract with customers:

(Rs. in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Contract liabilities		
Advance received from customers	10.75	13.80
Total contract liabilities	**10.75**	**13.80**
Receivables		
Trade receivables	66,38.12	52,73.04
Total receivables	66,38.12	52,73.04

C. Significant changes in the contract liabilities balances during the year:

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Contract liabilities - Advance received from customers		
Opening balance	13.80	10.48
Addition during the year	10.75	13.80
Revenue recognized during the year	(13.80)	(10.48)
Closing balance	**10.75**	**13.80**

50. Estimation of uncertainties relating to global pandemic - Covid-19

The Covid-19 pandemic has evolved into a continuing human tragedy with adverse impact on society, economy and business. Markets have faced severe disruption due to the pandemic and consequent interruption in production, economic uncertainty, supply chain disruption besides challenges in logistics and non-availability of personnel. During the year, the Company had temporarily suspended operations in all units of the Company following imposition of 'lock-down', and subsequently resumed operations in phases as permitted. The medium term impact of the corona virus on the businesses of the Company could vary depending on the repeat waves, virus mutations and control, future health and social developments or Government dictates that cannot be reliably predicted including steps to contain the spread of the disease, revive market demand and mitigate the crippling impact on the business economy. As a leading OE and industrial supplier to consumer durables and capacitor industry, the Company remains subject to uncertainty of demand and the behavior of ultimate consumers.

In these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, deferred tax assets, inventory, receivables, advances, property, plant and equipment, intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as current contract terms, market and financial strength of customers, future volume estimates etc. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there will be no significant impact on liabilities accrued. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company continues to closely monitor material changes to the economic conditions and impact on business to address and mitigate the overall impact, if any, in this unprecedented situation.

51. **Significant events after the reporting period**

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

52. The standalone financial statements were approved for issue by the Board of Directors at their meeting, deemed to have been held at New Delhi, through video conferencing on May 25, 2021.

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Nitin Toshniwal
Partner
Membership No. 507568
Faridabad
May 25, 2021

For and on behalf of the Board

Sidharth Birla
Chairman

Amit Dhanuka
Company Secretary

V. K. Agarwal
President (Finance) & Chief Financial Officer

C. Bhaskar
Managing Director & Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF XPRO INDIA LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Xpro India Limited (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group, as at 31 March 2021, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in paragraph 15 of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the report of the other auditor on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assets held for sale of unit situated in Biax - Unit 1 Refer note 4(e) for the accounting policy and note 19 for the financial disclosures. The Group has a manufacturing unit situated in Barjora (referred to as 'Biax-Unit 1'). The management has determined Biax-Unit 1 unit as a single cash generating unit ('CGU') in accordance with Ind AS 36, Impairment of Assets. The Group had entered a 'Term Sheet' for sale of its assets situated at Biax-Unit 1, basis the approval of the Board of Directors during the year ended 31 March 2019, for a consideration which was greater than the carrying	Our audit procedures included, but were not limited to the following: • Assessed the term sheet and the addendum agreement entered into with the buyer and discussed its validity with the management. • Assessed the carrying value of the assets for any adjustments during the year. • Assessed that the disposal cost which has been carried forward meets the definition of asset.

value of the CGU as on the reporting date which was also approved by the shareholders. The sale was subject to obtaining necessary approvals from regulatory authorities and satisfactory trial runs of the plant. Subsequently the parties have also entered into an addendum agreement on 4 February 2021 providing, inter alia, for interim operations on a job-work basis pending formal approval of transfer. (Interim operations commenced in March 2021.) The renewal lease deed having been executed during the year, the management as required has applied to the Government of West Bengal for transfer of land to the buyer which is pending as at year end. Meanwhile, the management has conducted the trial run and purchaser has confirmed the plant as acceptable on an "as is where is basis". The term sheet continues to be binding on the parties involved and hence the Group has presented these assets as "assets held for sale" in the consolidated financial statements and valued it at lower of carrying value and fair value less cost to sell in accordance with Ind AS 105. The fair value has been determined based on the value ascribed in the Term Sheet. This was considered to be one of the areas which required significant auditor attention and a matter which was of most significance in the consolidated financial statements due to the nature of transaction and materiality of the balances.	• Reviewed the correspondences between the Group and the regulatory authority for transfer of lease deed. • Assessed the events and circumstances for the classification of asset held for sale under Ind AS 105 along with the conditions mentioned in the Term Sheet. • Assessed reasonableness of management's judgement with respect to the likelihood and expected timing of the implementation of the term sheet. • Analysed the term sheet entered into with the buyer and noted the consideration agreed is higher than the carrying value of the land, building and plant and machinery situated at Biax - Unit I. • Assessed the appropriateness and completeness of the disclosures in note 19 in accordance with the applicable Ind AS.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial

statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited

by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by him. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 10.41 lacs and net assets of ₹ 2.01 lacs as at 31 March 2021, total revenues of ₹ 1.36 lacs and net cash outflows amounting to ₹ 4.16 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, are based solely on the report of the other auditor. Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.
16. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ Nil lacs and net assets of ₹ Nil lacs as at 31 March 2021, total revenues of ₹ Nil lacs and net cash outflows amounting to ₹ 26.31 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit and on the consideration of the report of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiary, we report that the Holding Company paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that one subsidiary company covered under the Act has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary company.
18. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:
    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor;

c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2'; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

   i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 39 to the consolidated financial statements;

   ii. the Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

   iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2021. Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company covered under the Act, during the year ended 31 March 2021; and

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

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

Nitin Toshniwal
Partner
Membership No. 507568
UDIN: 21507568AAAACF6670
Place: Faridabad
Date: 25 May 2021

Annexure 1 to the Independent Auditor's Report of even date to the members of Xpro India Limited on the consolidated financial statements for the year ended 31 March 2021

Annexure 1

List of entities included in the consolidated financial statements

1. Xpro Global Limited; and
2. Xpro Global Pte. Ltd. (till 8 February 2021)

Annexure 2 to the Independent Auditor's Report of even date to the members of Xpro India Limited on the consolidated financial statements for the year ended 31 March 2021

Annexure 2

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the consolidated financial statements of Xpro India Limited (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group'), as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which is the company covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary company, which is the company covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

   A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the report of the other auditor on internal financial controls with reference to financial statements of the subsidiary company, the Holding Company and its subsidiary company, which is company covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company covered under the Act, whose financial statements reflect total assets of ₹10.41 lacs and net assets of ₹ 2.01 lacs as at 31 March 2021, total revenues of ₹ 1.36 lacs and net cash outflows amounting to ₹ 4.16 lacs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company, have been audited by other auditor whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the report of the auditor of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the report of the other auditor.

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

Nitin Toshniwal
Partner
Membership No. 507568
UDIN: 21507568AAAACF6670

Place: Faridabad
Date: 25 May 2021

CONSOLIDATED BALANCE SHEET as at March 31, 2021

(Rs. in lacs)

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current assets			
a. Property, plant and equipment	5	1,70,23.27	1,78,86.32
b. Capital work-in-progress	5	31.24	31.36
c. Right-of-use asset	45	8,85.32	9,22.21
d. Other intangible assets	6	-	-
e. Financial assets			
Loans	7	1,86.79	1,86.07
Other financial assets	8	2,13.41	2,13.41
f. Deferred tax assets (net)	24	-	5,33.58
g. Non-current tax assets (net)	9	2,01.82	54.05
h. Other non-current assets	10	54.63	69.67
		1,85,96.48	1,98,96.67
Current assets			
a. Inventories	11	41,03.80	41,73.44
b. Financial assets			
Trade receivables	12	66,38.12	52,73.67
Cash and cash equivalents	13	1,70.69	6,23.57
Bank balances (other than cash and cash equivalents)	14	4,23.21	4,50.61
Loans	15	1,09.33	1,09.06
Other financial assets	16	70.80	70.80
c. Current tax assets	17	2.39	77.80
d. Other current assets	18	1,65.75	4,50.68
		1,16,84.09	1,12,29.63
Assets held for sale	19	5,21.46	5,09.08
Total Assets		3,08,02.03	3,16,35.38
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	20	11,81.35	11,81.35
b. Other equity	20	78,07.60	70,11.79
Total equity		89,88.95	81,93.14
Liabilities			
Non-Current liabilities			
a. Financial liabilities			
Borrowings	21	97,00.68	1,06,71.59
Lease liabilities	45	2,18.57	2,31.64
Other financial liabilities	22	6.57	6.57
b. Provisions	23	4,29.65	5,38.77
		1,03,55.47	1,14,48.57
Current liabilities			
a. Financial liabilities			
Borrowings	25	11,71.97	39,78.98
Lease liabilities	45	13.07	12.36
Trade payables - dues to micro & small enterprises	26	1,37.67	20.94
- dues to creditors other than micro & small enterprises	26	70,97.17	56,40.80
Other financial liabilities	27	26,19.31	21,10.08
b. Other current liabilities	28	4,18.42	2,30.51
		1,14,57.61	1,19,93.67
Total liabilities		2,18,13.08	2,34,42.24
Total Equity and liabilities		3,08,02.03	3,16,35.38

The accompanying notes are an integral part of the consolidated financial statements

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board

Sidharth Birla
Chairman

Nitin Toshniwal
Partner
Membership No. 507568
Faridabad, May 25, 2021

Amit Dhanuka
Company Secretary

V. K. Agarwal
President (Finance) & Chief Financial Officer

C. Bhaskar
Managing Director & Chief Executive Officer

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

For the Year ended March 31, 2021

(Rs. in lacs)

	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
Income			
- Revenue from operations	29	3,73,35.36	3,54,83.93
- Other income	30	2,10.99	1,53.75
Total income		**3,75,46.35**	**3,56,37.68**
Expenses			
- Cost of materials consumed	31	2,62,00.75	2,62,46.44
- Changes in inventories of finished goods, stock-in-trade & work-in-progress	32	3,05.55	(6,39.88)
- Employee benefits expense	33	26,83.11	25,19.92
- Finance costs	34	17,31.53	18,58.58
- Depreciation and amortisation expense	35	12,39.69	12,21.34
- Other expenses	36	40,37.71	43,90.61
Total expenses		**3,61,98.34**	**3,55,97.01**
Profit before exceptional items and tax		13,48.01	40.67
Exceptional items		-	-
Profit before tax		**13,48.01**	**40.67**
Tax expense			
- Current tax		-	26.00
- Deferred tax		5,33.58	(26.00)
- Tax adjusted for earlier years		(20.93)	0.84
Total tax expense		5,12.65	0.84
Profit for the year		8,35.36	39.83
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(39.55)	(20.32)
- Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		(39.55)	(20.32)
Total comprehensive income for the year (comprising profit after tax, and other comprehensive income for the year)		**7,95.81**	**19.51**
Profit for the year attributable to			
- Owners of the Company		**8,35.36**	**39.83**
- Non-controlling interest		-	-
Other comprehensive income for the year attributable to			
- Owners of the Company		**(39.55)**	**(20.32)**
- Non-controlling interest		-	-
Total comprehensive income for the year attributable to			
- Owners of the Company		**7,95.81**	**19.51**
- Non-controlling interest		-	-
Earnings per equity share (of Rs.10/- each)	37		
- Basic (Rs.)		**7.07**	**0.34**
- Diluted (Rs.)		**7.07**	**0.34**

The accompanying notes are an integral part of the consolidated financial statements

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Nitin Toshniwal
Partner
Membership No. 507568
Faridabad
May 25, 2021

For and on behalf of the Board

Sidharth Birla
Chairman

Amit Dhanuka
Company Secretary

V. K. Agarwal
President (Finance) & Chief Financial Officer

C. Bhaskar
Managing Director & Chief Executive Officer

STATEMENT OF CONSOLIDATED CASH FLOWS

For the Year ended March 31, 2021

(Rs. in lacs)

		Year ended March 31, 2021	Year ended March 31, 2020
A.	**Cash flow from Operating Activities**		
	Net profit before tax	13,48.01	40.67
	Adjustments for:		
	Depreciation and amortisation (net)	12,39.69	12,21.34
	Exceptional items	-	-
	Excess provision written back	(87.30)	(79.89)
	Foreign currency translations (net)	-	1.63
	Interest income	(46.92)	(44.80)
	Finance costs	16,56.21	17,83.27
	Loss on sale of property, plant and equipment	0.08	26.50
	Bad debts	-	78.34
	Dividend income	(0.05)	(0.08)
	Operating profit before working capital changes	**41,09.72**	**30,26.98**
	Movement in financial assets	(0.99)	19.70
	Movement in trade receivables	(13,64.44)	3,38.66
	Movement in other assets	2,99.77	5,50.02
	Movement in inventory	69.64	(5,78.70)
	Movement in financial liabilities	16,93.22	4,66.50
	Movement in other liabilities	1,87.90	0.22
	Movement in provisions	(1,48.68)	89.98
	Cash Flow generated from operations (gross)	**48,46.14**	**39,13.36**
	Less: taxes paid (net)	(62.64)	(66.31)
	Net Cash Flow generated from operating activities (A)	**47,83.50**	**38,47.05**
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)	(2,39.67)	(6,23.46)
	Proceeds from sale of property, plant and equipment	20.53	14.15
	Dividend Received	0.05	0.08
	Interest Received	46.92	36.64
	Proceeds from maturity of/(Investment in) fixed deposits	22.42	(49.88)
	Net Cash Flow (used in) from investing activities (B)	**(1,49.75)**	**(6,22.47)**
C.	**Cash flow from Financing Activities**		
	Payment of lease liabilities	(39.18)	(39.18)
	Proceeds from long-term borrowings	19,30.00	1,28.71
	(Repayment) of long-term borrowings	(25,25.02)	(17,33.19)
	(Repayment)/proceeds of short-term borrowings (net)	(28,07.01)	7,10.86
	Interest paid	(16,45.42)	(17,51.24)
	Net Cash Flow (used in) financing activities (C)	**(50,86.63)**	**(26,84.04)**
	Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(4,52.88)**	**5,40.54**
	Cash and Cash Equivalents at the beginning of the year	**6,23.57**	**83.03**
	Cash and Cash Equivalents at the end of the year *(refer Note 13)*	**1,70.69**	**6,23.57**

	As at March 31, 2021	As at March 31, 2020
Components of cash and cash equivalents *(refer Note 13)*		
Balances with scheduled banks:		
- In current accounts	1,66.55	6,20.47
Cash on hand	4.14	3.10
	1,70.69	6,23.57

Notes:
a) The Cash Flow Statement has been prepared as per the "indirect method" set out in Ind AS 7 on Statement of Cash Flow;
b) Disclosures as required in terms of Amendment to Ind AS 7 'Statement of cash Flows'

(Rs. in lacs)

	Lease liabilities	Long-term borrowings	Short-term Borrowings
Balance as on April 1, 2019 #*	2,55.05	1,39,26.50	32,68.12
Cash flows:			
Proceeds	-	1,28.71	7,10.86
Repayments	(39.18)	(17,33.19)	-
Non-cash changes on account of:			
foreign exchange fluctuation	-	2,65.64	
interest cost on lease liabilities	**28.13**	-	-
Balance as on April 1, 2020 *	2,44.00	1,25,87.66	39,78.98
Cash flows:			
Proceeds	-	19,30.00	-
Repayments	(39.18)	(25,25.02)	**(28,07.01)**
Non-cash changes on account of:			
foreign exchange fluctuation	-	1,24.45	
interest cost on lease liabilities	**26.82**	-	-
Balance as on March 31, 2021 *	2,31.64	1,21,17.09	11,71.97

Lease liabilities in 2019-20 have been created on account of transition to Ind AS 116 (refer note 45 for details)

* includes current maturity of long-term borrowings Rs.24,16.41 lacs (March 31, 2020: Rs.19,16.07 lacs, March 31, 2019: Rs.21,09.74 lacs)

c) The accompanying notes are an integral part of the consolidated financial statements.

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board

Sidharth Birla
Chairman

Nitin Toshniwal
Partner
Membership No. 507568
Faridabad
May 25, 2021

Amit Dhanuka
Company Secretary

V. K. Agarwal
President (Finance) & Chief Financial Officer

C. Bhaskar
Managing Director & Chief Executive Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year ended March 31, 2021 (Rs. in lacs)

A. Equity Share Capital

Particulars	Number of shares	Amount
Balance as at April 1, 2019	1,18,13,500	11,81.35
Changes in equity share capital during the year	-	-
Balance as at March 31, 2020	1,18,13,500	11,81.35
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	1,18,13,500	11,81.35

B. Other equity

Particulars	Reserves and surplus					Total
	Capital subsidy reserve	Securities premium	General reserve	Retained earnings	Foreign currency translation reserve	
Balance as at April 1, 2019	**60.50**	**4,06.58**	**67,50.00**	**(2,27.08)**	**0.59**	**69,90.59**
Profit for the year	-	-	-	39.83	-	39.83
Remeasurement of defined benefit plans (net of tax)	-	-	-	(20.32)	-	(20.32)
Currency fluctuation on translation	-	-	-	-	1.69	1.69
Balance as at March 31, 2020	**60.50**	**4,06.58**	**67,50.00**	**(2,07.57)**	**2.28**	**70,11.79**
Profit for the year	-	-	-	8,35.36	-	8,35.36
Remeasurement of defined benefit plans (net of tax)	-	-	-	(39.55)	-	(39.55)
Currency fluctuation on translation	-	-	-	2.28	(2.28)	-
Balance as at March 31, 2021	**60.50**	**4,06.58**	**67,50.00**	**5,90.52**	**-**	**78,07.60**

The accompanying notes are an integral part of the consolidated financial statements

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
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Nitin Toshniwal
Partner
Membership No. 507568
Faridabad
May 25, 2021

For and on behalf of the Board

Sidharth Birla
Chairman

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Company Secretary

V. K. Agarwal
President (Finance) & Chief Financial Officer

C. Bhaskar
Managing Director & Chief Executive Officer

Notes to the Consolidated Financial Statements

1. **Company Information:**

These Consolidated financial statements comprise the financial statements of Xpro India Limited ("the Holding Company") and its subsidiaries (collectively referred to as 'the Group') for the year ended March 31, 2021

	Name of Subsidiary	% Shareholding	Principal Activity	Country of Incorporation
a.	Xpro Global Limited	100 *	General Trade	India
b.	Xpro Global Pte. Ltd.	100 ^	General Wholesale Trade Business & management consultancy services	Singapore

The Group is engaged mainly in the business of Polymers Processing; the transactions of the subsidiaries are insignificant.
(* 100% shareholding in each of the years ended March 31, 2021 and March 31, 2020);
(^100% shareholding in the year ended March 31, 2020; Xpro Global Pte. Ltd., Singapore, had applied voluntarily and was accordingly struck off the Register of Companies by the regulatory agency in Singapore, with effect from February 8, 2021)

2. **Application of new and revised Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ('MCA') notifies new standards or amendment to the existing standards. However, there are no such notifications which have been issued but are not yet effective or applicable from April 1, 2021.

3. **Basis for Preparation:**

a. **Principles of Consolidation**

The consolidated financial statements relate to Xpro India Limited ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Company and its subsidiary companies 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 Separate Financial Statements.

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

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with Section 133 of the Companies Act, 2013.

These financial statements of the Group for the year ended March 31, 2021 were approved and authorized for issue by Board of Directors on May 25, 2021.

c. **Basis of measurement**

These 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 financial statements.

d. **Functional and presentation currency**

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

e. **Current and non-current classification**

The Group presents assets and liabilities in the 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 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(q) - Financial Instruments.

Overall Considerations

The 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 financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

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

A summary of the significant accounting policies applied in the preparation of the 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 capitalization 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 Statement of Profit and Loss for the period during which such expenses are incurred. Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as a part of indirect construction cost to the extent the expenditure is related to construction or is incidental thereto. Other indirect costs incurred during-the construction periods which are not related to construction activity nor are incidental thereto are charged to the 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 over the useful lives of assets as specified in Schedule II to the Act.

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 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 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 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 5 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.

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 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 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 a 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 & 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 reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the 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 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 profit or loss as other operating revenues on a systematic basis in the periods in which such expenses are recognised.

i. 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.

j. 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 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 fixed assets are added to the cost of fixed assets and depreciated over the remaining life of the respective fixed asset.

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 taken to statement of profit and loss.

k. Revenue recognition

Sale of Goods: Revenue from sale of products are recognised when control of products is transferred i.e. on dispatch of goods and are accounted for net of returns, trade discounts and volume rebates.

Sales value is net of discounts, rebates and freight outward (on external sales) and are exclusive of value added tax and goods and service 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 a financial asset is recognized when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Other Income: Interest income is recognised, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). Income from export incentives is recognised on accrual basis.

l. 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 valuations 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 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 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.

Compensated absences: 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 statement of profit and loss.

Short-term employee benefits: 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.

m. 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 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 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 statement of profit and loss. Short term leases are the leases with a lease term of 12 months or less.

n. 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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

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 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.

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.

o. Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the year attributable to equity shareholders of the Group 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 Group and the weighted average number of equity shares outstanding the year is adjusted for the effects of all dilutive potential equity shares.

p. 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 Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.

q. Equity investment

Equity investments in joint ventures and 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.

r. 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

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement:

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 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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Derecognition

The Group derecognizes 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 the profit or loss on disposal of that financial asset.

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) 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

The measurement of financial liabilities depends on their classification, as described below:

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 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.

s. Use of estimates and management judgements

The preparation of the Group's 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 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 based its assumptions and estimates on parameters available when the 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 uuncertainty 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 financial statements. Changes in estimates are accounted for prospectively.

In order to enhance understanding of the 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 standalone 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 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.

3. Liability for de-commissioning of asset

The liability for de-commissioning is measured on the basis of present estimated cost to decommission the asset, current inflation rate and discount 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.

5. Property, plant and equipment

(Rs. in lacs)

Particulars	Leasehold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Computers	Equipment & fittings	Total	Capital work-in-progress
Gross Block									
Balance as on April 1, 2019	**7,93.43**	**41,84.02**	**2,40,98.79**	**3,34.79**	**3,29.73**	**1,47.97**	**1,10.63**	**2,99,99.36**	**3,97.14**
Additions *(refer Note 'e' below)*	-	23.66	9,73.46	0.69	24.63	2.77	6.51	10,31.72	1,51.23
Less: Disposals	-	-	37.58	-	53.37	-	-	90.95	5,17.01
Less: Transition on account of IndAS 116	7,93.43	-	-	-	-	-	-	7,93.43	-
Balance as on March 31, 2020	-	**42,07.68**	**2,50,34.67**	**3,35.48**	**3,00.99**	**1,50.74**	**1,17.14**	**3,01,46.70**	**31.36**
Additions *(refer Note 'e' below)*	-	22.00	2,66.96	-	64.29	6.17	0.93	3.60.35	-
Less: Disposals	-	-	-	-	49.60	1.19	0.84	51.63	0.12
Balance as on March 31, 2021	-	**42,29.68**	**2,53,01.63**	**3,35.48**	**3,15.68**	**1,55.72**	**1,17.23**	**3,04,55.42**	**31.24**
Accumulated Depreciation									
Balance as on April 1, 2019	89.35	7,60.47	98,13.86	2,02.60	1,31.36	1,30.01	87.94	1,12,15.59	-
Add: depreciation for the year	-	1,28.40	9,86.22	21.77	34.00	5.92	8.12	11,84.43	-
Less: Disposals	-	-	11.27	-	39.02	-	-	50.29	-
Less: Transition on account of IndAS 116	89.35	-	-	-	-	-	-	89.35	-
Balance as on March 31, 2020	-	**8,88.87**	**1,07,88.81**	**2,24.37**	**1,26.34**	**1,35.93**	**96.06**	**1,22,60.38**	-
Add: depreciation for the year	-	1,29.01	10,04.66	20.95	35.96	4.46	7.76	12,02.80	-
Less: Disposals	-	-	-	-	29.25	0.98	0.80	31.03	-
Balance as on March 31, 2021	-	**10,17.88**	**1,17,93.47**	**2,45.32**	**1,33.05**	**1,39.41**	**1,03.02**	**1,34,32.15**	-
Balance as on March 31, 2021	-	**32,11.80**	**1,35,08.16**	**90.16**	**1,82.63**	**16.31**	**14.21**	**1,70,23.27**	31.24
Balance as on March 31, 2020	-	**33,18.81**	**1,42,45.86**	**1,11.11**	**1,74.65**	**14.81**	**21.08**	**1,78,86.32**	31.36

Notes:

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

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

c) Capital work-in-progress includes leasehold land in possession of the Group and of which the Group is the beneficial owner is pending for transfer in the name of the Group and for which necessary steps were being taken; (transferred in the name of the Holding Company after March 31, 2021).

d) 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 usual course of business; there is no indication to the contrary and accordingly the management is of the view that no impairment provision is called for in these accounts;

e) Exchange differences on all long-term monetary items resulted in an addition of Rs.1,24.45 lacs (March 31, 2020: addition of Rs. 2,65.64 lacs) to Gross Block of plant & machinery, being the exchange difference on long term monetary items related to the acquisition of a depreciable capital asset.

6. Other intangible assets

(Rs. in lacs)

	Computer software	Technical knowhow	Total
Gross Block			
Balance as at April 1, 2019	28.32	3,48.38	3,76.70
Additions	-	-	-
Balance as at March 31, 2020	28.32	3,48.38	3,76.70
Additions	-	-	-
Balance as at March 31, 2021	28.32	3,48.38	3,76.70
Accumulated amortisation			
Balance as at April 1, 2019	28.32	3,48.38	3,76.70
Add: Amortisation during the year	-	-	-
Balance as at March 31, 2020	28.32	3,48.38	3,76.70
Add: Amortisation during the year	-	-	-
Balance as at March 31, 2021	28.32	3,48.38	3,76.70
Balance as at March 31, 2020	-	-	-
Balance as at March 31, 2021	-	-	-

7. Loans (Non-current)

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Security deposits	1,77.91	1,77.91
Loans to employees	8.88	8.16
Total	**1,86.79**	**1,86.07**

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

8. Other financial assets (non-current)

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
VAT Subsidy	2,13.41	2,13.41
Total	**2,13.41**	**2,13.41**

9. Non-current tax assets (net)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Pre-paid taxes *(net of provision for tax Rs. Nil; previous year Rs.71.92 lacs)*	2,01.82	54.05
Total	**2,01.82**	**54.05**

10. Other assets (non-current)

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Capital advances [*refer note below*]	-	11.42
Advances other than capital advances		
- Pre-paid expenses	10.78	13.62
- Balances with statutory authorities	43.85	44.63
Total	**54.63**	**69.67**

Note:

Capital commitment:

Estimated amount of contracts remaining to be executed on capital account and not provided for in the amount (net of capital advances): Rs. Nil (March 31, 2020: Rs.52.18 lacs)

11. Inventories

(valued at lower of cost and net realisable value)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Raw material	23,62.53	21,62.30
Work-in-progress	2,29.06	3,31.26
Finished products	11,45.98	13,49.29
Stores and spares	3,66.17	3,30.48
Stock-in-trade	0.06	0.11
Total	**41,03.80**	**41,73.44**

Note: Raw materials includes goods in transit: Rs. Nil (March 31, 2020: Rs.Nil lacs)

12. Trade Receivables

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Trade receivables: Considered good, unsecured	66,38.12	52,73.67
Total	**66,38.12**	**52,73.67**

(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.

13. Cash and cash equivalents

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Balance with banks in current accounts	1,66.55	6,20.47
Cash on hand	4.14	3.10
Total	**1,70.69**	**6,23.57**

14. Other bank balances

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Deposit accounts with original maturity of more than 3 months and remaining maturity of less than 12 months	70.32	67.02
Unclaimed dividend accounts *	-	4.98
Earmarked balances with bank (held as margin money)	3,52.89	3,78.61
Total	**4,23.21**	**4,50.61**

* not due for deposit in Investor Education and Protection Fund

15. Loans (Current)

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Security deposits	1,00.62	1,00.62
Loans to employees	8.71	8.44
Total	**1,09.33**	**1,09.06**

16. Other financial assets (Current)

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Recoverable from others *(refer note 19)*	70.80	70.80
Total	**70.80**	**70.80**

17. Other tax assets

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Income-tax	2.39	77.80
Total	**2.39**	**77.80**

18. Other current assets

(Considered good, unsecured)

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Advance to suppliers	12.72	79.69
Prepaid expenses	74.94	83.58
Balance with government authorities	35.38	2,32.46
Other receivable		
Loans - considered good, unsecured	42.71	54.95
Loans - credit impaired	-	-
Less: Provision for expected credit loss	-	-
Total	**1,65.75**	**4,50.68**

(a) The management assesses the fair value of these financial assets not to be materially different from the amounts recognised in the financial statements;

(b) Balance with government authorities represents goods and service tax (earlier service tax) paid on inputs (earlier input and services) consumed by the group and eligible for utilisation towards discharge of goods and service 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 statement of financial position within twelve months thereof.

19. Assets held for sale

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Property, plant and equipment	5,21.46	5,09.08
Total	**5,21.46**	**5,09.08**

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 Biax Division Unit 1 are presented as ‘Assets held for sale’ separately from other assets in the balance sheet. Sale has been delayed as all required approvals could not be obtained due, inter alia, to the pandemic and reasons beyond the control of the Company and is now expected to be sold during 2021-22.

The carrying value of asset held for sale as on the date of agreement does not exceed the fair value less cost to sell and hence there is no impairment loss to be recognised in the statement of profit and loss account.

During the previous year trial run cost of Rs.70.80 lacs had been incurred which is recoverable as a part of sale consideration.

20. a) Equity Share Capital

For disclosures please refer Notes to standalone financial statements

b) Other Equity

(Rs.in lacs)

Particulars	Reserves and surplus					Total
	Capital subsidy reserve	Securities premium	General reserve	Retained earnings	Foreign currency translation reserve	
Balance as at April 1, 2019	**60.50**	**4,06.58**	**67,50.00**	**(2,27.08)**	**0.59**	**69,90.59**
Profit for the year	-	-	-	39.83	-	39.83
Remeasurement of defined benefit plans (net of tax)	-	-	-	(20.32)	-	(20.32)
Currency fluctuation on translation	-	-	-		1.69	1.69
Balance as at March 31, 2020	**60.50**	**4,06.58**	**67,50.00**	**(2,07.57)**	**2.28**	**70,11.79**

(Rs.in lacs)

Particulars	Reserves and surplus: Capital subsidy reserve	Securities premium	General reserve	Retained earnings	Foreign currency translation reserve	Total
Balance as at March 31, 2020	**60.50**	**4,06.58**	**67,50.00**	**(2,07.57)**	**2.28**	**70,11.79**
Profit for the year	-	-	-	8,35.36	-	8,35.36
Remeasurement of defined benefit plans (net of tax)	-	-	-	(39.55)	-	(39.55)
Currency fluctuation on translation	-	-	-	2.28	(2.28)	-
Balance as at March 31, 2021	**60.50**	**4,06.58**	**67,50.00**	**5,90.52**	**-**	**78,07.60**

Nature and purpose of reserves

a) **Capital subsidy reserve**

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

b) **Securities premium reserve**

Securities premium reserve 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 annual profits.

d) **Retained earnings**

Represents the profit/(loss) accumulated over the years.

e) **Foreign currency translation reserve**

Foreign currency translation reserve is on account of translation of balances of foreign subsidiary.

21. **Non-current financial liabilities - Borrowings**

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Loans from banks - Secured		
Term loans *(refer note a to s)*	76,97.38	77,93.83
Foreign currency borrowings *(refer note t)*	19,83.82	28,77.76
Vehicle loans *(refer note u)*	19.48	-
Total	**97,00.68**	**1,06,71.59**

a. Term loan from State Bank of India, outstanding Rs.2,72.00 lacs (previous year: Rs.2,96.10 lacs), carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.3.00 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.10.00 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.12.00 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.12.50 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to Oldenburgische Landesbank AG ('OLB')) of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders.

b. Term Loan from Punjab National Bank, outstanding Rs.5,74.78 lacs (previous year: Rs.5,93.21 lacs), carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.7.25 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.24.00 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.28.75 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.30.00 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders.

c. Term Loan from State Bank of India, outstanding Rs.14,08.00 lacs (previous year: Rs.15,94.00 lacs) carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.15.50 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.51.75 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.62.00 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.64.75 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders.

d. Term Loan from State Bank of India, outstanding Rs.10,88.00 lacs (previous year: Rs.12,32.00 lacs) carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.12.00 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.40.00 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.48.00 lacs each starting from April 2019; & (iv) 16 quarterly instalments of Rs.50.00 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders.

e. Term Loan from State Bank of India, outstanding Rs.11,25.50 lacs (previous year: Rs.12,74.75 lacs) carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.12.50 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.41.50 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.49.75 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.51.75 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders.

f. Term Loan from Indian Bank, outstanding Rs.10,20.00 lacs (previous year: Rs.11,12.00 lacs), carrying interest linked to the bank's MCLR is repayable in (i) 2 quarterly instalments of Rs.7.50 lacs each starting from October, 2016; (ii) 4 quarterly instalments of Rs.11.25 lacs each starting from April 2017; (iii) 4 quarterly instalments of Rs.37.50 lacs each starting from April 2018 (iv) 12 quarterly instalments of Rs.44.50 lacs each starting from April 2019 & (v) 16 quarterly instalments of Rs.47.25 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders.

g. Corporate Loan from State Bank of India outstanding Rs.1,67.79 lacs (previous year: Rs.1,67.79 lacs) carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.4.00 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.13.25 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.15.75 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.16.50 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders.

h. Corporate Loan from State Bank of India, outstanding Rs.10,20.00 lacs (previous year: Rs.11,41.99 lacs), carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.11.25 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.37.50 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.45.00 lacs each starting from April 2019 & (iv) 16 quarterly instalments of Rs.47.00 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders.

i. Corporate Loan from State Bank of India, outstanding Rs.2,47.00 lacs (previous year: Rs.2,80.00 lacs), carrying interest linked to the bank's MCLR is repayable in (i) 4 quarterly instalments of Rs.2.75 lacs each starting from April 2017; (ii) 4 quarterly instalments of Rs.9.25 lacs each starting from April 2018; (iii) 12 quarterly instalments of Rs.11.00 lacs each starting from April 2019 & (v) 16 quarterly instalments of Rs.11.50 lacs each starting from April 2022 and is secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company & second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders.

j. Corporate Loan from Indian Bank, outstanding Rs. Nil (previous year: Rs.3,45.65 lacs), carrying interest linked to the bank's MCLR was repayable in (i) 2 quarterly instalments of Rs.4.45 lacs each starting from October, 2016; (ii) 4 quarterly instalments of Rs.6.65 lacs each starting from April 2017; (iii) 4 quarterly instalments of Rs.22.15 lacs each starting from April 2018 (iv) 12 quarterly instalments of Rs.26.30 lacs each starting from April 2019 & (v) 16 quarterly instalments of Rs.27.90 lacs each starting from April 2022 and was secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders. The loan has been fully repaid during the year.

k. Term Loan from Punjab National Bank, outstanding Rs.3,39.77 lacs (previous year: Rs.4,18.72 lacs), carrying interest linked to the bank's MCLR, is repayable in (i) 24 quarterly instalments of Rs.25.00 lacs each starting from June, 2020; and is secured by exclusive 1st charge on the assets to be acquired out of above loan and ranking pari passu 2nd charge on all the current assets of the Holding Company with other term lenders.

l. Working Capital Term Loan from State Bank of India, outstanding Rs. Nil (previous year: Rs. 94.75 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 4 quarterly instalments of Rs.3.75 lacs each starting from April 2017; (ii) 8 quarterly instalments of Rs.5.75 lacs each starting from April 2018; (iii) 4 quarterly instalments of Rs.6.75 lacs each starting from April 2020; & (iii) 8 quarterly instalments of Rs.7.75 lacs each starting from April 2021, was secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders. The loan has been fully repaid during the year.

m. Working Capital Term Loan from State Bank of India, outstanding Rs. Nil (previous year: Rs. 86.36 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 4 quarterly instalments of Rs.3.53 lacs each starting from April 2017 (ii) 8 quarterly instalments of Rs.5.29 lacs each starting from April 2018; (iii) 4 quarterly instalments of Rs.6.17 lacs each starting from April 2020 & (iv) 8 quarterly instalments of Rs.7.05 lacs each starting from April 2021 was secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders. The loan has been fully repaid during the year.

n. Working Capital Term Loan from State Bank of India, outstanding Rs. Nil (previous year: Rs.67.00 lacs), carrying interest linked to the bank's MCLR, repayable in (i)2 quarterly instalments of Rs.1.50 lacs each starting from October, 2016 (ii) 4 quarterly instalments of Rs.2.50 lacs each starting from April 2017; (iii) 8 quarterly instalments of Rs.4.00 lacs each starting from April 2018 (iv) 4 quarterly instalments of Rs.4.75 lacs starting from April, 2020 & (v) 8 quarterly instalments of Rs.5.50 lacs each starting from April 2021 was secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future(excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders. The loan has been fully repaid during the year.

o. Working Capital Term Loan from Indian Bank, outstanding Rs. Nil (previous year: Rs.95.00 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 2 quarterly instalments of Rs.2.00 lacs each starting from October, 2016 (ii) 4 quarterly instalments of Rs.4.00 lacs each starting from April 2017; (iii) 8 quarterly instalments of Rs.6.00 lacs each starting from April 2018 (iv) 4 quarterly instalments of Rs.7.25 lacs each starting from April 2020 & iv) 8 quarterly instalments of Rs.8.25 lacs each starting from April 2021 was secured by pari-passu charge by way of hypothecation/mortgage of all the movable and immovable assets, present and future (excluding specified Dielectric Film Line and slitter which are exclusively charged to 'OLB') of the Holding Company and second charge on all the current assets of the Holding Company ranking pari-passu with other term lenders. The loan has been fully repaid during the year.

p. The Holding Company has been granted a moratorium of 6 months w.e.f. March 2020 for payment of instalment(s) on above mentioned terms loans as per RBI guidelines following the Covid-19 pandemic; payment schedule would extend accordingly.

q. Working Capital Term Loan from State Bank of India, under Guaranteed Emergency Credit Line 2.0 (GECL2.0) scheme, outstanding Rs.16,00.00 lacs (previous year: Rs. Nil), carrying interest linked to the bank's MCLR, repayable in (i) 47 monthly instalments of Rs.33.33 lacs each starting from January 2022 & (ii) last instalment of Rs.33.49 lacs in December 2025 is secured by extension of second charge over the existing primary and collateral securities of the Holding Company including mortgages created in favour of the Consortium banks on pari-passu basis and covered under guarantee coverage from National Credit Guarantee Credit Guarantee Trustee Company Ltd (NCGTC).

r. Working Capital Term Loan from Punjab National Bank, under GECL2.0 scheme, outstanding Rs.2,30.00 lacs (previous year: Rs. Nil), carrying interest linked to the bank's MCLR, repayable in (i) 35 monthly instalments of Rs.6.38 lacs each starting from February 2022 & (ii) last instalment of Rs.6.70 lacs in January 2025 is secured by extension of second charge over the existing primary and collateral securities of the Holding Company including mortgages created in favour of the Consortium banks on pari-passu basis and covered under guarantee coverage from NCGTC.

s. The above-mentioned term loans carry interest rate between 7.9 to 12 % per annum.

t. ECB from Oldenburgische Landesbank AG ('OLB'), in the nature of term loan, outstanding €3,402,008; equivalent to Rs.29,75.74 lacs (previous year: €4,536,011; equivalent to Rs.38,37.01 lacs), carrying annual interest at Euribor + 1.75% is repayable in 14 semi-annual instalments of €567,001.34 each, along with interest, commencing from April 2017, is secured by hypothecation of specified Dielectric Film Line and slitter at Barjora and is insured under Hermes export credit guarantee.

u. Vehicle Loan(s) of Rs.30.61 lacs (previous year: Rs.7.99 lacs) carrying interest at between 9 to 9.5 % per annum, repayable in 36 monthly instalment(s) commencing from date of disbursement, are secured by hypothecation of specified vehicles.

v. Lenders retain the right to recompense for NPV loss amount of Rs.3,65.00 lacs arising on rescheduling of term loans effective April 1, 2016.

w. There has been no default in servicing of loans and interest due thereon during and as at the end of the year.

x. Rs.80.46 lacs (March 31, 2020: Rs.1,43.27 lacs) has been adjusted against long term borrowings being adjustments on account of adoption of Ind AS.

y. Interest accrued and due on above borrowings is Rs.80.72 lacs (March 31, 2020: Rs.86.61 lacs).

22. Non-current financial liabilities - Others

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Security deposits	6.57	6.57
Total	**6.57**	**6.57**

23. Provisions

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Non-current		
Gratuity *(refer note 38 A)*	4,06.09	5,23.77
Compensated absences	23.56	15.00
	4,29.65	**5,38.77**
Current tax liability		
Provision for taxation	-	-
	-	-

24. Deferred tax

As per Ind AS 12 - Income Taxes, deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. The Group has taken strategic steps to rationalize and improve operations including through discontinuing un-economic activities and impact of these steps have started bearing positive results. However, as a matter of abundant caution, deferred tax assets have been recognized only to the extent of deferred tax liability.

Unrecognised deferred tax assets/liabilities (net):

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Deferred tax liability		
Fixed assets:	3,84.00	12,70.00
Impact of difference between book and tax depreciation		
Gross deferred tax liability	**3,84.00**	**12,70.00**
Deferred tax assets		
Carried forward of losses	31,44.00	39,78.00
Expenses deductible on payment basis	53.00	48.00
Gross deferred tax assets	31,97.00	40,26.00
Deferred tax assets to the extent of deferred tax liabilities recognized	**3,84.00**	**12,70.00**
Net deferred tax liability	-	-

The carry forward tax losses as at March 31, 2021 expire as follows:-

	Losses with expiry		Losses with no expiry
Loss for the tax Assessment year ended	Tax loss Rs.Lacs	Expires on	Unabsorbed depreciation Rs.Lacs
2013-14	-	-	1,79.79
2014-15	-	-	7,87.77
2015-16	22,58.28	March 31, 2024	18,67.05
2016-17	6,43.72	March 31, 2025	27,15.43
2017-18	-	-	17,67.16
2018-19	-	-	10,66.29
2020-21	-	-	4,90.51

Reconciliation of tax and book profit

(Rs. in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax	13,03.65	1,21.75
Tax rate (%)	25.17	34.94
Tax expense at above rate	3,28.13	42.54
Tax impact of utilisation of brought forward losses	(3,28.13)	(42.54)
Current Tax	-	-

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Current Tax	-	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Deferred tax (MAT payable)	-	26.00
Less: MAT credit utilised		(26.00)
Income tax expense	-	-
Deferred Tax	5,33.58	-
Add: Tax adjusted for earlier years	(20.93)	0.84
Total tax expense	5,12.65	0.84

1) The Holding Company has opted for the alternate tax regime under Section 115BAA of the Income Tax Act, 1961, with effect from the Financial Year 2019-20, which allows the Holding Company a lower tax rate of 25.17% (against 34.94%) but restricts availability of exemptions/incentives under different provisions of income tax, and is accompanied with immediate expiry of carry forward balance of Minimum Alternative Tax (MAT) credit.
2) The Deferred Tax Assets/Liabilities as at March 31, 2021 and March 31, 2020 and the estimate of Tax Expense for the year ended March 31, 2021 have been accordingly re-measured and Deferred Tax Asset amounting to Rs.5,33.58 lacs, in the nature of MAT credit carried forward has been written off in current financial year as no longer available to the Holding Company.
3) Taxable income for financial year 2020-21 has been adjusted against assessed Business Losses brought forward and revised return for A.Y. 2020-21 has been filed by the Holding Company since the end of the year.
4) Consequent to adoption of alternate tax regime, the provisions of Section 115JB relating to MAT shall not be applicable to the Holding Company; accordingly there is no MAT liability.

25. Current financial liabilities - Borrowings

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Secured		
Loans repayable on demand		
- Working capital loan from banks	11,71.97	35,78.98
Unsecured		
Loans from others repayable on demand	-	4,00.00
Total	**11,71.97**	**39,78.98**

a) Working Capital loans, repayable on demand, and bearing interest at the rate of between 10 to 12 % 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) Loans from others represents inter-corporate deposits repayable on demand and bearing interest at 10% per annum;
c) There has been no default in servicing of loans and interest due thereon during and as at the end of the year.

26. Current financial liabilities – Trade payables

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Trade payables		
Dues to micro and small enterprises	1,37.67	20.94
Dues to creditors other than micro and small enterprises	51,01.83	42,96.52
Acceptances	19,95.34	13,44.28
Total	**72,34.84**	**56,61.74**

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 44 for information on the Group's credit risk management processes;

b) Acceptances include arrangements where operational supplies of goods and services are initially paid by banks while the Group continues to recognise the liability till settlement with the banks which are normally effected within 90 days;

c) Disclosures with respect to related party transactions is given in note 40;

d) Micro & small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Group on the basis of information available with the Group and the auditors have relied on the same. The disclosure pursuant to MSMED Act on the amount due to micro and small enterprises is given below:

	(Rs. in lacs) As at March 31, 2021	As at March 31, 2020
Principal amount due and remaining unpaid	1,37.64	20.94
Interest due on above and remaining unpaid	-	-
Interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	-	-
Payment made to suppliers (other than interest) beyond appointed day	-	-
Interest paid in terms of Sec.16 of MSMED Act	-	-
Further interest remaining due and payable in the succeeding years for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act	-	-
Interest due and payable to suppliers under MSMED Act towards payments made	-	-
Interest accrued and remaining unpaid	-	-

27. Current financial liabilities – Others

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Current maturities of long-term borrowings (refer note 21)	24,16.41	19,16.07
Creditors for capital expenditure	0.20	3.13
Interest accrued but not due	15.72	31.74
Unclaimed dividend *	-	4.98
Employees payables	1,82.18	1,49.56
Security deposit received	4.80	4.60
Total	**26,19.31**	**21,10.08**

* does not include any sum due to be transferred to Investor Education & Protection Fund

28. Other current liabilities

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Advance from customer	10.75	13.80
Statutory dues payable	1,82.67	1,16.71
Advance against sale of 'assets held for sale'	2,25.00	1,00.00
Total	**4,18.42**	**2,30.51**

29. Revenue from operations

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Sale of products *(refer note 47)*		
- Finished goods	3,67,91.75	3,51,47.90
- Traded goods	-	-
Other operating income		
- Scrap sale	5,33.89	2,93.67
- Export incentives and margins	9.72	42.36
Total	**3,73,35.36**	**3,54,83.93**

30. Other income

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Interest on		
- Fixed deposits	19.87	20.49
- Others	21.07	16.15
- Income-tax refund	5.99	8.16
Dividend Income	0.05	0.08
Other non-operating income		
- Foreign currency transactions (net)	41.01	0.07
- Excess provision written back	87.30	79.89
- Miscellaneous income	35.70	28.91
Total	**2,10.99**	**1,53.75**

31. Cost of materials consumed

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.in lacs)
Inventories at the beginning of the year	21,62.30	22,60.18
Add: Purchases during the year	2,70,94.36	2,62,99.61
Less: Rebates received/returns	6,93.38	1,51.05
Less: Inventories at the end of the year	23,62.53	21,62.30
Cost of materials consumed	**2,62,00.75**	**2,62,46.44**

32. Changes in inventories of finished, stock-in-trade & work-in-progress

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.in lacs)
Inventories at the beginning of the year		
Finished goods	13,49.29	6,59.94
Work-in-progress	3,31.26	3,77.97
Stock-in-trade	0.11	2.87
	16,80.66	10,40.78
Inventories at the end of the year		
Finished goods	11,45.98	13,49.29
Work-in-progress	2,29.06	3,31.26
Stock-in-trade	0.07	0.11
	13,75.11	16,80.66
Net increase / (decrease)	**3,05.55**	**(6,39.88)**

33. Employees benefits expense

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.in lacs)
Salaries, Wages & Bonus	22,79.86	21,36.92
Contribution to provident and other funds	2,77.70	2,55.25
Staff welfare expenses	1,25.55	1,27.75
Total	**26,83.11**	**25,19.92**

Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 38

34. Finance costs

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.in lacs)
Interest expense on borrowings measured at amortised cost	11,59.33	12,39.78
Interest expense on lease liability	26.83	28.13
Interest expense on defined benefit obligation	78.26	75.31
Other borrowing costs	4,67.11	5,15.36
Total	**17,31.53**	**18,58.58**

35. Depreciation and amortisation expenses

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.in lacs)
Depreciation on tangible assets	12,02.80	11,84.43
Depreciation on right-to-use assets	36.89	36.91
Total	**12,39.69**	**12,21.34**

36. Other expenses

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.in lacs)
Consumption of Stores, Spares and Packing Material	8,60.76	9,08.81
Processing charges	34.52	46.46
Power & Fuel	19,99.65	22,97.45
Rent	45.24	14.99
Repairs to:		
- Buildings	15.81	19.35
- Plant & Machinery	1,08.74	1,27.41
- Others	22.32	16.61
Communication	16.76	18.44
Director's Fees	35.80	20.79
Insurance	78.07	63.04
Legal & Professional	1,05.75	81.79
Rates & Taxes	42.76	30.54
Security expenses	64.15	59.19
Travelling and conveyance	75.62	1,72.94
Rebate and commission	2,90.07	1,34.19
Payment to Auditors *(refer note 'a' below)*	19.53	29.05
Other selling expenses	8.69	8.68
Loss on disposal/discard of property, plant and equipment	0.07	26.50
Bad debts	-	78.34
Miscellaneous expenses	2,13.40	2,36.04
Total	**40,37.71**	**43,90.61**

a) Payment to auditors

To Statutory Auditors		
- As Auditors	18.00	19.00
- Reimbursement of expenses	1.53	10.05
	19.53	**29.05**

37. Earnings per share (EPS)

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs.in lacs)
a) Profit for the year attributable to equity shareholders (A)	8,35.36	39.83
b) Weighted average number of equity shares outstanding during the year for computation of Basis EPS	1,18,13,500	1,18,13,500
Weighted average number of equity shares outstanding during the year for computation of Diluted EPS	1,18,13,500	1,18,13,500
Nominal value per share (Rs.)	10	10
c) Basic earnings per equity share (face value Rs.10 each) (A/B) (Rs.)	**7.07**	**0.34**
Dilutive earnings per equity share (face value Rs.10 each) (A/B) (Rs.)	**7.07**	**0.34**

Note: there are no dilutive shares as on March 31, 2021 and March 31, 2020

38. Employee benefits

Defined Contribution Plan

The Group makes contribution towards provident fund and ESI for qualifying employees to government administered /approved funds wherein the Group is required to contribute a specified percentage of payroll cost to the schemes to fund the benefits. The Group has no further obligations beyond the periodic contributions.

The Group recognized Rs.2,77.70 lacs (March 31, 2020: Rs 2,55.25 lacs) towards provident fund contributions and ESI contribution in the Statement of Profit and Loss included in "Employee benefits expense" (note 33).

Defined Benefit Plan

A. **Gratuity:**

The Group provides for gratuity as per the Payment of Gratuity Act, 1972 or as per applicable company rules, whichever is higher. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The Group accounts for the liability for gratuity benefits payable in future based on actuarial valuation.

The following table sets out the status of the gratuity plan, based on the actuarial valuation obtained in this respect and the amounts recognised in the Group's financial statements as at balance sheet date:

(Rs.in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
(i) **Asset/(Liability) recognised in Balance Sheet**		
Present value of the obligation at end of the year	9,99.00	9,26.85
Fair value of plan assets	5,92.90	4,03.08
Net assets/(liability) recognised in balance sheet as provision	**4,06.10**	**5,23.77**
(ii) **Amount recognised in the statement of profit and loss is as under:**		
Current service cost	49.45	46.10
Net interest cost	28.81	30.31
Expense recognised in the income statement	**78.26**	**76.41**
(iii) **Amount recognised in other comprehensive income is as under:**		
Actuarial gain/(loss) for the year on defined benefit obligation	(36.82)	(23.79)
Actuarial gain/(loss) for the year on plan assets	(2.73)	3.47
Total actuarial gain/(loss) for the year	**(39.55)**	**(20.32)**
(iv) **Movement in the liability recognised in the balance sheet is as under:**		
Present value of defined obligation as at start of the year	9,26.85	8,36.14
Current service cost	49.45	46.10
Interest cost	60.25	56.85
Actuarial loss/(gain) recognised during the year	36.82	23.79
Benefits paid	(74.37)	(36.03)
Present value of defined benefit obligation as at the end of the year	**9,99.00**	**9,26.85**
(v) **Movement in the plan assets recognised in the balance sheet is as under:**		
Fair value of plan assets at beginning the year	4,03.08	4,07.66
Expected return on plan assets	31.43	26.55
Employer's contribution	2,00.00	-
Benefits paid	(38.87)	(34.60)
Actuarial gain/(loss) on plan assets	(2.74)	3.47
Fair value of plan assets at the end of the year	**5,92.90**	**4,03.08**
Actual return on plan assets	28.70	30.02
(vi) **Breakup of actuarial (gain)/loss on defined benefit obligation:**		
Actuarial (gain)/loss on arising from change in financial assumption	7.86	21.01
Actuarial (gain)/loss on arising from experience adjustment	28.95	2.78
Total actuarial (gain)/loss for the year	**36.81**	**23.79**
(vii) **Actuarial assumptions:**		
Discount rate (%)	6.50	6.80
Future salary increase (%)	6.00	6.00
Expected average remaining working lives of employees (years)	14.31	13.69

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2006-08) Ultimate table.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

	Year ended March 31, 2021	(Rs.in lacs) Year ended March 31, 2020
(viii) **Sensitivity analysis for gratuity liability**		
Impact of the change in discount rate		
Effect on present value of gratuity obligation		
- Impact due to increase of 1 %	**(25.02)**	**(23.20)**
- Impact due to decrease of 1 %	**28.75**	**26.41**
Impact of the change in salary increase		
Effect on present value of gratuity obligation		
- Impact due to increase of 1 %	**25.35**	**26.36**
- Impact due to decrease of 1 %	**(28.60)**	**(23.58)**
(ix) **Expected (undiscounted) benefit payments in future years**		
Projections are for current members and their currently accumulated benefits		
Year- 1	6,43.13	5,83.66
Year- 2	69.67	47.23
Year- 3	28.44	59.65
Year- 4	27.36	25.90
Year- 5	46.68	24.57
Year- 6 to Year- 10	1,43.98	1,40.01
(x) **Category of plan assets**		
LIC managed fund	100 %	100 %

B. Compensated absence:

The leave obligations cover the Group's liability for earned leave and sick leave. The liability towards compensated absences in the nature of earned leave for the year ended March 31, 2021 based on the actuarial valuation carried out by using projected accrued benefit method as reduced by the contribution in the plan assets has resulted in a net asset of Rs.13.22 lacs (as on March 31, 2021) and Rs.54.19 lacs (as on March 31, 2020) which has been shown under Financial Assets in the Financial Statements. Liability towards sick leave, Rs.23.56 lacs as on March 31, 2021 (Rs.15.00 lacs as on March 31, 2020), has been shown under Provisions in the Financial Statements.

39. Contingent Liabilities

	As at March 31, 2021	(Rs. in lacs) As at March 31, 2020
Claims against the Group, not acknowledged as debt	2.50	2.50
Sales tax, Excise & Customs matters under appeal	3,66.06	3,68.64
Others	36.68	36.68

Note: 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.

40. Related party disclosures: According to Ind AS 24 '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) Alpha Capital Resources Pte. Ltd., Singapore;
   b) Tanjore Partners LLP;

3. Post employment benefit funds
   a) Xpro India Limited Employees Provident Fund Trust
   b) Xpro India Limited Senior Officers Superannuation Fund
   c) Xpro India Limited Employees Gratuity Fund

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 Amitabha Guha;
      (ii) Sri Ashok Kumar Jha;
      (iii) Sri Utsav Parekh;
      (iv) Sri S Ragothaman;
      (v) Smt. Vijaya Sampath *(upto 17/6/2020)*

   c) Non-executive Non-Independent Directors:
      (i) Smt Madhushree Birla

   d) Others:
      (i) Sri H Bakshi, *Sr. President & COO*
      (ii) Sri V K Agarwal, *President (Finance) & CFO*
      (iii) Sri S C Jain, *Company Secretary (upto 30/6/2020)*
      (iv) Sri Amit Dhanuka, *Company Secretary (w.e.f. 1/7/2020)*

B. Transactions with Related Parties:

(Rs.in lacs)

Related Party	Nature of transaction	Year ended March 31, 2021	Year ended March 31, 2020
iPro Capital Limited	Aggregate of short-term inter-corporate deposits received from time to time	-	1,00.00
	Aggregate ICD repayments	1,00.00	-
	Outstanding amount at year end	-	1,00.00
	Interest paid on inter-corporate deposits	9.97	9.31
Xpro India Limited Employees Provident Fund Trust	Employer's contribution to post employment benefit fund	49.70	51.13
Xpro India Limited Senior Officers Superannuation Fund	Contribution to post employment benefit fund (with LIC)	38.77	37.90
Xpro India Limited Employees Gratuity Fund	Contribution to post employment benefit fund (with LIC)	2,00.00	-
Sri Sidharth Birla	Remuneration (including leave encashment)	91.08	1,15.81
Sri C Bhaskar	Remuneration (including leave encashment)	1,47.46	1,20.70
	Sitting Fees	0.20	0.20
Smt Madhushree Birla	Sitting Fees	5.80	2.70
Sri Amitabha Guha	Sitting Fees	8.45	4.18
Sri Ashok Kumar Jha	Sitting Fees	6.40	2.00
Ms Nandini Khaitan *(upto 7/8/19)*	Sitting Fees	-	1.50
Sri Utsav Parekh	Sitting Fees	6.95	2.45
Sri S Ragothaman	Sitting Fees	7.75	4.35
Smt Vijaya Sampath *(6/11/19 - 17/6/20)*	Sitting Fees	0.10	1.50
Sri H Bakshi	Remuneration	1,01.88	85.77
Sri V K Agarwal	Remuneration	75.57	62.35
Sri S C Jain	Remuneration	18.08	41.34
Sri Amit Dhanuka	Remuneration	14.64	-

C. No Balances were outstanding at the end of the current or previous year from/to any of the Related parties, other than as stated above.

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

41. 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; the transactions of the subsidiaries being insignificant. Accordingly, 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 Rs. 1,73,37.31 lacs (previous year; Rs. 1,73,40.13 lacs) was derived from external customers each accounting for over ten percent of the revenue.

42. CSR Expenditure

Gross amount required to be spent by the Group (i.e. 2% of Average Net Profits u/s 198 of Companies Act. 2013 of last three years): Rs. Nil (Previous year: Rs. Nil)

43. Fair Value Measurement

Financial instrument by category

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

Fair Value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position 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.

There are no financial instruments held by the Group which require classification within the above three levels.

Financial instrument by category measured at amortised cost (Rs. in lacs)

Particulars	March 31, 2021		March 31, 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
- Loans	1,86.79	1,86.79	1,86.07	1,86.07
Total	1,86.79	1,86.79	1,86.07	1,86.07
Financial liabilities				
- Borrowings	97,00.68	97,00.68	1,06,71.59	1,06,71.59
- Other financial liabilities	6.57	6.57	6.57	6.57
- Lease liabilities	2,18.57	2,18.57	2,31.64	2,31.64
Total	99,25.82	99,25.82	1,09,09.80	1,09,09.80

The management assessed that for current assets including security deposits, loans, cash and cash equivalents, trade receivables, other recoverable, borrowings, trade payables and other current financial liabilities, 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) Long-term fixed-rate receivables are evaluated by the Group based on parameters such as interest rates, individual creditworthiness of the counterparty and other market risk factors.

(ii) The fair values of the Group's interest-bearing borrowings, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2021 was assessed to be insignificant.

(iii) 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.

44. Financial risk management

i) Financial instrument by category

(Rs. in lacs)

Particulars	March 31, 2021 FVTPL	March 31, 2021 FVOCI	March 31, 2021 Amortised cost	March 31, 2020 FVTPL	March 31, 2020 FVOCI	March 31, 2020 Amortised cost
Financial assets						
- Trade receivable			66,38.12			52,73.67
- Cash and cash equivalent			1,70.69			6,23.57
- Other Bank balances			4,23.21			4,50.61
- Loans			2,96.12			2,95.13
- Other financial assets			2,84.21			2,84.21
Total			78,12.35			69,27.19
Financial liabilities						
- Lease liabilities			2,31.64			2,44.00
- Borrowings			1,08,72.65			1,46,50.57
- Trade payables			72,34.84			56,61.74
- Other financial liabilities			26,25.88			21,16.65
Total			2,09,65.01			2,26,72.96

The carrying amount of trade receivables, trade payables, capital creditors and cash and cash equivalent are considered to be the same as their fair values, due to short-term in nature.

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 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, investment carried at amortised cost 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; ii) Moderate credit risk and 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, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss

Based on business environment in which the entity 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 March 31, 2021	As at March 31, 2020
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	78,12.35	69,27.19

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 country.

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 hat 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 risk losses for financial assets

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
March 31, 2021				
Loans	2,96.12	0 %	-	2,96.12
Trade receivables	66,38.12	0 %	-	66,38.12
Cash and cash equivalents	1,70.69	0 %	-	1,70.69
Bank balances other than above	4,23.21	0 %	-	4,23.21
Other financial assets	2,84.21	0 %	-	2,84.21
March 31, 2020				
Loans	2,95.13	0 %	-	2,95.13
Trade receivables	52,73.67	0 %	-	52,73.67
Cash and cash equivalents	6,23.57	0 %	-	6,23.57
Bank balances other than above	4,50.61	0 %	-	4,50.61
Other financial assets	2,84.21	0 %	-	2,84.21

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.

(Rs. In lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Gross amount of trade receivables where no default has occurred	66,38.12	52,73.67
Expected loss rate	-	-
Expected credit loss (loss allowance provision)	-	-

B. **Liquidity Risk**

Ultimate responsibility for liquidity risk management rests with the Board of Directors. 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 analyses 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 undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Rs.in lacs)

Particulars	< 1 year	1 – 5 years*	>5 years *	Total
As at March 31, 2021				
Borrowings	11,71.97	96,94.45	6.23	1,08,72.65
Trade payables	72,34.84	-	-	72,34.84
Lease liabilities	13.07	1,06.39	1,12.18	2,31.64
Financial liabilities	26,19.31	6.57	-	26,25.88
Total	**1,10,39.19**	**98,07.41**	**1,18.41**	**2,09,65.01**
As at March 31, 2020				
Borrowings	39,78.98	91,42.09	15,29.50	1,46,50.57
Trade payables	56,61.74	-	-	56,61.74
Lease liabilities	12.36	90.93	1,40.71	2,44.00
Financial liabilities	21,10.08	6.57	-	21,16.65
Total	**1,17,63.16**	**92,39.59**	**16,70.21**	**2,26,72.96**

*interest outflow of the said liabilities has not been considered

C. **Market risk**

Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the 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 March 31, 2021	As at March 31, 2020
Financial liabilities		
Payable on imports		
- USD	2,512,515	1,044,400
Borrowings		
- Euro	3,419,980	4,568,384
Financial assets		
Receivables on export		
- USD	383,774	182,096
- Euro	61,571	-

Sensitivity

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

(Rs. in lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
USD sensitivity		
INR/USD – increase by 2 %	(31.62)	(13.14)
INR/USD – decrease by 2 %	31.62	13.14
Euro sensitivity		
INR/Euro – increase by 2 %	(58.79)	(77.29)
INR/Euro – decrease by 2 %	**58.79**	77.29

Interest rate risk

Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2021, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group's investments in Fixed Deposits all pay fixed interest rates.

Interest rate risk exposure

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

(Rs. in lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	1,32,08.34	1,60,80.03
Fixed rate borrowings	-	4,00.00
Total borrowings	**1,32,08.34**	**1,64,80.03**

Sensitivity

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

(Rs. In lacs)

Particulars	Year ending March 31, 2021	Year ending March 31, 2020
Interest sensitivity		
Interest rates - increase by 1 %	1,73.85	1,60.80
Interest rates - decrease by 1 %	(1,73.85)	(1,60.80)

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 Group's capital management objectives are

- to ensure the Group'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.

(Rs. in lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Long-term borrowings	97,00.68	1,06,71.59
Current maturities of long-term borrowings	24,16.41	19,16.07
Short-term borrowings	11,71.97	39,78.98
Interest accrued but not due on borrowings	15.72	31.74
Total borrowings	**1,33,04.78**	**1,65,98.38**
Less: Cash and cash equivalents	1,70.69	6,23.57
Bank balance other than above	4,23.21	4,50.61
Net debts	**1,27,10.88**	**1,55,24.20**
Total equity *	**89,88.95**	**81,93.14**
Net debts to equity ratio	**141.41 %**	**189.48 %**

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

45. **Leases**

a. The Group has adopted Ind AS 116 `Lease' from April 1, 2019, which resulted in changes in accounting policies in the standalone financial statements.

b. **Practical expedients applied**

In applying Ind AS 116 for the first time, 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 on April 1, 2019 was 11.25% with maturity between 2020 - 2106.

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 state 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 balance sheet:

Right-of-use assets	No. of right-of-use assets leased	Range of remaining term (Years)	Average remaining lease term (years)
Building	1	7	7
Land	3	69 - 85	75.38

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 balance sheet and statement of profit and loss account:**

The balance sheet shows the following amounts relating to leases:

(Rs. in lacs)

	Category of right-of-use assets		
	Land	Building	Total
Balance as at April 1, 2019 (on account of initial application of Ind AS 116)	7,04.08	-	7,04.08
Add: Additions	-	2,55.04	2,55.04
Less: Depreciation charged on the right-of-use	8.58	28.33	36.91
Balance as at March 31, 2020	6,95.50	2,26.71	9,22.21
Add: Additions	-	-	-
Less: Depreciation charged on the right-of-use	8.57	28.32	36.89
Balance as at March 31, 2021	6,86.93	1,98.39	8,85.32

g. **Amount recognised in Statement of Profit or Loss:**

(Rs. In lacs)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
i) Depreciation of right-of-use assets (classified under Depreciation and amortisation expense)	36.89	36.91
ii) Interest on lease liabilities (classified under Finance costs)	26.82	28.13
iii) Expenses related to short term leases (classified under Other expenses)	45.24	14.99

h. The total cash outflow for leases for the year ended March 31, 2021 was Rs.39.18 lacs (March 31, 2020: Rs.39.18 lacs).

i. Future minimum lease payments are as follows:

(Rs. in lacs)

<u>As on March 31, 2021</u>

Minimum lease payments due:	Lease Payments	Finance charges	Net present value
Within 1 year	39.18	(25.36)	13.82
1 – 2 years	46.23	(23.35)	22.88
2 – 3 years	46.23	(20.64)	25.59
3 – 4 years	46.23	(17.60)	28.63
4 – 5 years	55.48	(13.72)	41.76
After 5 years	1,10.96	(12.00)	98.96
Total	3,44.31	(1,12.67)	2,31.64

As on March 31, 2020

Minimum lease payments due:	Lease Payments	Finance charges	Net present value
Within 1 year	39.18	(26.82)	12.36
1 – 2 years	39.18	(25.36)	13.82
2 – 3 years	46.23	(23.35)	22.88
3 – 4 years	46.23	(20.64)	25.59
4 – 5 years	46.23	(17.60)	28.63
After 5 years	1,66.45	(25.73)	1,40.72
Total	3,83.50	(1,39.50)	2,44.00

46. Additional Information as required by paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(Rs. In lakhs)

Name of the Company	Net Assets (Total Assets minus total liabilities)		Share in Profit or Loss		Other Comprehensive Income (OCI)		Total Comprehensive Income (TCI)	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit/(Loss)	Profit / (Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI
2020 - 21								
Parent Company								
Xpro India Ltd.	99.98	89,86.94	100.13	8,36.49	100.00	(39.55)	100.14	7,96.94
Indian Subsidiary								
Xpro Global Ltd.	0.02	2.01	0.03	0.29	-	-	0.03	0.29
Foreign Subsidiary								
Xpro Global Pte Ltd	-	-	(0.16)	(1.42)	-	-	(0.17)	(1.42)

Note: The above figures are after eliminating intra group transactions and intra group balances as at March 31, 2021

Name of the Company	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit/(Loss)	Profit / (Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI
2019 - 20								
Parent Company								
Xpro India Ltd.	99.67	81,66.10	100.00	1,20.91	100.00	(20.32)	100.00	1,00.59
Indian Subsidiary								
Xpro Global Ltd.	0.02	1.77	-	(77.75)	-	-	-	(77.75)
Foreign Subsidiary								
Xpro Global Pte Ltd	0.31	25.27	-	(3.33)	-	-	-	(3.33)

Note: The above figures are after eliminating intra group transactions and intra group balances as at March 31, 2020

47. 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:

(Rs. in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from contracts with customers		
(i) Sale of products:		
(a) Coextruded sheets, cast films and liners	2,79,33.94	2,72,74.20
(b) Biaxially oriented films	88,57.81	78,73.70
(c) Traded goods	-	-
(d) Other services	-	-
(ii) Other operating income	5,43.61	3,36.03
Total revenue covered under Ind AS 115	**3,73,35.36**	**3,54,83.93**

B. Contract balances

Information about contract liabilities and receivables from contract with customers:

(Rs. in lacs)

	Year ended March 31, 2021	Year ended March 31, 2020
Contract liabilities		
Advance received from customers	10.75	13.80
Total contract liabilities	**10.75**	**13.80**
Receivables		
Trade receivables	66,38.12	52,73.67
Total receivables	**66,38.12**	**52,73.67**

C. Significant changes in the contract liabilities balances during the year:

(Rs. in lacs)

	As at March 31, 2021	As at March 31, 2020
Contract liabilities - Advance received from customers		
Opening balance	13.80	10.48
Addition during the year	10.75	13.80
Revenue recognized during the year	(13.80)	(10.48)
Closing balance	**10.75**	**13.80**

48. **Estimation of uncertainties relating to global pandemic - Covid-19**

The Covid-19 pandemic has evolved into a continuing human tragedy with adverse impact on society, economy and business. Markets have faced severe disruption due to the pandemic and consequent interruption in production, economic uncertainty, supply chain disruption besides challenges in logistics and non-availability of personnel. During the year, the Group had temporarily suspended operations in all units of the Group following imposition of 'lock-down', and subsequently resumed operations in phases as permitted. The medium term impact of the corona virus on the businesses of the Group could vary depending on the repeat waves, virus mutations and control, future health and social developments or Government dictates that cannot be reliably predicted including steps to contain the spread of the disease, revive market demand and mitigate the crippling impact on the business economy. As a leading OE and industrial supplier to consumer durables and capacitor industry, the Group remains subject to uncertainty of demand and the behavior of ultimate consumers.

In these circumstances, the Group has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, deferred tax assets, inventory, receivables, advances, property, plant and equipment, intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Group has used internal and external information such as current contract terms, market and financial strength of customers, future volume estimates etc. Having reviewed the underlying data and based on current estimates the Group expects the carrying amount of these assets will be recovered and there will be no significant impact on liabilities accrued. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements and the Group continues to closely monitor material changes to the economic conditions and impact on business to address and mitigate the overall impact, if any, in this unprecedented situation.

49. **Significant events after the reporting period**

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

50. The consolidated financial statements were approved for issue by the Board of Directors at their meeting, deemed to have been held at New Delhi, through video conferencing on May 25, 2021.

In terms of our report of even date attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Nitin Toshniwal
Partner
Membership No. 507568
Faridabad
May 25, 2021

For and on behalf of the Board

Sidharth Birla
Chairman

Amit Dhanuka
Company Secretary

V. K. Agarwal
President (Finance) & Chief Financial Officer

C. Bhaskar
Managing Director & Chief Executive Officer