



Xpro India Limited

Annual Report 2022/23

Xpro India Limited : Annual Report 2022/23

Board of Directors

Sri Sidharth Birla (DIN: 00004213)

Chairman

Sri K. Balakrishnan (DIN: 00034031) #

Smt. Madhushree Birla (DIN: 00004224)

Sri Amitabha Guha (DIN: 02836707)

Sri Ashok Kumar Jha (DIN: 00170745)

Sri Bharat Jhaver (DIN: 00379111) #

Ms. Suhana Murshed (DIN: 08572394)

Sri Utsav Parekh (DIN: 00027642)

Sri S. Ragothaman (DIN: 00042395)

Sri C. Bhaskar (DIN: 00003343)

Managing Director & Chief Executive Officer

w.e.f. May 25, 2022

Company Secretary

Sri Kamal Kishor Sewoda (ACS 37954) *

Sri Amit Dhanuka (ACS 23872) **

* w.e.f. February 15, 2023

** upto January 14, 2023

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 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)

Sri Amit Ghosh

Vice President (QA & Customer Support), Biax Division

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

Delhi Office

1218, DLF Tower B,
Jasola District Centre,
New Delhi 110 025

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

Xpro India Limited : Annual Report 2022/23

NOTICE

TO THE SHAREHOLDERS

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of Xpro India Limited will be held on Thursday, August 10, 2023 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, 2023 and the Auditors' report thereon.
2. To declare a dividend of INR 2.00 per ordinary share of the face value of INR 10 each, of the Company for the financial year ended March 31, 2023.
3. To appoint a Director in place of Sri Bharat Jhaver (DIN: 00379111) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

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

4. AS AN ORDINARY RESOLUTION

“RESOLVED that pursuant to 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), remuneration payable for the year 2023-24 to M/s Sanghavi Randeria & Associates, Cost Accountants, Mumbai (Firm Registration No. 00175) appointed by the Board of Directors to conduct the audit of the cost records of the Company for the financial year 2023-24, amounting to INR 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 22, 2023

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

By Order of the Board

Kamal Kishor Sewoda
Company Secretary
e-mail: cosec@xproindia.com
Tel.: +91-33-40823700
website: www.xproindia.com

NOTES

1. Explanatory Statement setting out the material facts concerning the item of Special Business 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. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated December 28, 2022 (“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

Xpro India Limited : Annual Report 2022/23

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 MCA Circular and SEBI Circular dated January 5, 2023, Notice of the AGM along with the Annual Report for the year 2022-23 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 26th Annual General Meeting and Annual Report 2022-23 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 agency. The facility of casting votes by a member using remote e-voting and 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 4, 2023 to August 10, 2023 (both days inclusive) for the purpose of this AGM and for the purpose of determining the entitlement of the members to the dividend for financial year ended March 31, 2023.
10. The dividend on the Ordinary Shares, if approved at the AGM, will be paid subject to deduction of tax at source, to the Members whose names appear in the Register of Members/list of Beneficial Owners as at the end of business hours on Thursday, August 3, 2023, i.e., the date prior to the commencement of book closure.
11. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates in the Income Tax Act, 1961 ("IT Act"). To enable us to determine the appropriate TDS rates as applicable, Members are requested to complete and/or update their Residential Status, Permanent Account Number (PAN) with their depositories (in case of shares held in demat mode) or with the Company/Registrar & Share Transfer Agent (RTA) (in case of shares held in physical mode) by sending the documents through email at tds@xproindia.com on or before Thursday, July 27, 2023. No communication on the tax determination/deduction shall be entertained thereafter.
12. Pursuant to the Listing Regulations, all companies mandatorily have to use the bank account details furnished by the depositories for payment of dividends. Dividend will be credited to the Members' Bank Account through NACH/NEFT wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records.
13. 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 its Registrars.**

Xpro India Limited : Annual Report 2022/23

14. Members are requested to provide their e-mail ID and mobile numbers 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.
15. Electronic copy of Annual Report for the year 2022-23 and Notice of the 26th 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.

16. Voting through electronic means

- A. 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).
- B. In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 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	<ol style="list-style-type: none"> 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. 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; If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration; Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN 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	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the NSDL e-Services website at https://eservices.nsd.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. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp. Visit the e-Voting website of NSDL at https://www.evoting.nsd.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.

Xpro India Limited : Annual Report 2022/23

Type of shareholders	Login Method
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.

C. Login for e-Voting and joining virtual meeting for physical shareholders and shareholders other than individuals holding in demat form:

- 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 Physical Shareholders other than Individual Shareholders holding shares in Demat 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.

Xpro India Limited : Annual Report 2022/23

- 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 printout 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.
- D. 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, Mafatlat Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013.
- E. **The e-voting period commences on August 7, 2023 (9 a.m.) and ends on August 9, 2023 (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, 2023, 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.
- F. 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, 2023.
- G. Sri Girish Bhatia, Practicing Company Secretary (Membership No. FCS 3295 & CP No.13792) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- H. 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 two working days 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

Xpro India Limited : Annual Report 2022/23

declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL and communicated to the NSE immediately.

17. 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:
 - a. 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), AADHAAR (self-attested scanned copy) and duly filled and signed Form ISR-1 (available on the website of the Company) by email to Company/RTA email id.
 - b. For Demat shareholders - please update your e-mail id and mobile number with your respective Depository Participant (DP).
 - c. For Individual Demat shareholders - please update your e-mail ID and mobile number with your respective Depository Participant (DP) which is mandatory while e-voting and joining virtual meeting through Depository.
18. **Instructions for members for attending the AGM through VC / OAVM are as under:**
 - a. 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.
 - b. Kindly note that allowing the use of the device's Camera and a fast Internet speed will allow the meeting to proceed smoothly.
 - c. 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.
 - d. 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.
 - e. 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.
19. **Instructions for members for e-voting during the AGM are as under: -**
 - a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 - b. Only those 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.
 - c. 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.
 - d. 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.
20. 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

Xpro India Limited : Annual Report 2022/23

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.

21. 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. Unclaimed dividend for the year 2021-22 will be due for transfer to the IEP Fund on July 31, 2029.

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.

22. EXPLANATORY STATEMENT

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

Item No. 3

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. Sri Bharat Jhaver (DIN:00379111), Non-Executive Non-Independent Director, shall accordingly retire at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment as such.

Sri Bharat Jhaver, aged about 45 years, obtained his Master's Degree in Chemical Engineering from Cornell, USA. Sri Jhaver, presently President of Tablets (India) Limited, a leading Pharmaceutical company in India which has pioneered various novel therapies and has grown its production to over USD 100 million under his leadership, has an experience of over a decade in managing multi-varied businesses with expertise in Pharmaceuticals and in establishing and managing joint ventures. He was recognized as "Leading Health Professional of the World 2010" in the arena of "Probiotic Revolution in India" and has also been recognized at the Indian Pharma Association Convention 2010.

Sri Jhaver is presently a Non-Executive Non-Independent Director on the Board of Dhunseri Ventures Limited (Listed Entity) and Director in Sinto Bharat Manufacturing Private Limited, Amethyst Properties Private Limited and Eldorado Properties Private Limited. He is a Member of the Audit Committee of Dhunseri Ventures Limited and is a Designated Partner in RSRK Estates LLP, Shravan Ventures LLP, Just Rental Holdings LLP and Grande Assets Madras LLP. Sri Jhaver is also a member of the National Executive Committee of FICCI, of the Executive Committee of YPO-Chennai and a Trustee of the Birla Education Trust, Pilani.

Sri Jhaver does not hold any Equity Shares of the Company in his own name.

The Board of Directors is of the opinion that Sri Jhaver's knowledge and varied experience of building businesses, developing appropriate strategies, plans, systems & processes and running operations will be of significant benefit to the Company. Accordingly, the Board recommends the resolution for the approval by the members.

None of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution except Sri Sidharth Birla and Smt. Madhushree Birla who are related to Sri Bharat Jhaver.

The relatives of the Sri Bharat Jhaver may be deemed to be concerned or interested in the resolution to the extent of their shareholding, if any, in the Company.

Save and except the above, no other Director or Key Managerial Personnel including their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to their shareholding interest, if any, in the Company.

Item No. 4

The Board of Directors, on the recommendation of the Audit Committee, have 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, 2024.

Xpro India Limited : Annual Report 2022/23

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. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the year 2023-24 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.

New Delhi
May 22, 2023

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

By Order of the Board

Kamal Kishor Sewoda
Company Secretary
e-mail: cosec@xproindia.com
Tel.: +91-33-40823700
website: www.xproindia.com

Xpro India Limited : Annual Report 2022/23

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, 2023.

FINANCIAL RESULTS & SHARE CAPITAL (Amounts in INR lacs)

	<u>FY 2023</u>	<u>FY 2022</u>
Operations resulted in a Profit before Interest and Depreciation (PBIDT) of	78,28.44	65,66.20
- Interest & other finance costs	(7,53.19)	(13,00.72)
Profit before Depreciation and Tax (PBDT)	70,75.25	52,65.48
- Depreciation	(11,52.18)	(12,06.81)
Profit Before Tax (PBT)	59,23.07	40,58.67
- Current tax	(7.83)	-
- Tax adjustment for earlier years	32.64	(20.12)
- Deferred Tax asset	(4,54.52)	4,54.52
- Deferred Tax liability	(9,57.01)	-
Profit after Tax (PAT)	45,36.35	44,93.07
- Other comprehensive income	(21.59)	(28.53)
- Surplus brought forward	50,54.55	5,90.01
- Dividend (for FY 2021-22)	(2,36.27)	-
Surplus carried forward	93,33.04	50,54.55

These results continue to validate resilience of operations, marketing and technically sound product offerings. Financial discipline and diligent application of earnings to repay debt much earlier than due, further enhanced profit by reducing interest costs significantly. Capital inflows are faithfully earmarked for growth.

The Company allotted 59,06,744 Bonus equity shares on July 6, 2022 in the ratio of one equity share for every two held, to eligible members pursuant to shareholders' approval. (10,371 Bonus equity shares being fractional entitlement(s) of 20,741 Members (including IEPF shareholders) were consolidated and allotted to a Trustee for sale and distribution of net proceeds in proportion to respective fractional entitlements; after sale in the stock market, the net proceeds were so distributed). As required, a further 9,84,000 bonus shares were reserved for warrant holders for allotment upon their acquisition of equity shares.

During the previous year the Company, after shareholder approval, allotted on a preferential basis 19,68,000 Convertible Warrants to (a) Central India General Agents Limited ("CIGA") (2,62,000 warrants) and Janardhan Trading Co. Limited ("JTC") (66,000 warrants) - both members of the promoter group; and (b) Malabar India Fund Limited ("Malabar"), a category I foreign portfolio investor (non-promoter, public) (16,40,000 warrants) at an issue price of INR 762 per warrant. Allotment required 25% of the issue price being received with the balance 75% payable at the warrant holder's option, within 18 months; a fully paid-up warrant entitles conversion into 1 equity share of INR 10 at a premium of INR 752.

The promoter group holders above exercised their option in full on payment of their balance 75% and have been allotted equity shares (together with reserved bonus shares thereon); a total of 393,000 and 99,000 equity shares (including Bonus) were allotted to CIGA and JTC respectively before end of the year. Following these allotments, the issued and paid up equity capital stands at INR 18,21,22,440/- consisting of 1,82,12,244 equity shares of INR 10/- each. There is a material addition to Reserves on account of securities premium.

The Board has considered relevant factors in the Dividend Distribution Policy and are pleased to recommend for shareholders' approval a Dividend (subject to tax) for the financial year ended March 31, 2023, of INR 2/- per share held on the record date. Shareholders may be pleased to note a balance between maintaining dividend on expanded capital, a higher portion of PAT as pay-out, and discretion in conserving resources for growth.

Xpro India Limited : Annual Report 2022/23

It is only realistic to point out that both the global and Indian economic macro-environment or their positives cannot be taken for granted. Going forward, while one reasonably expects positive momentum in our markets to continue, sudden volume and/or margin hiccups or other disruptions cannot be ruled out. In prudence it is the endeavour of the Board to keep debt as moderated as practically possible, for funding growth plans.

REVIEW OF KEY BUSINESS MATTERS

2022-23 continued to see the global economy in a state of flux. Even discussions at the World Economic Forum suggested that the global economy is under pressure from multiple complex, interconnected crises. The challenges include inflation, climate change, war in Europe, supply chain disruptions and the pandemic after-effects. The outlook generally remains at best cautious, notwithstanding China's re-opening. Persistent inflation risks have resurfaced and financial markets may need to price in tightening, while keeping an eye on systemic and contagion risks.

The Indian economy stands out as one of the fastest growing economies following pandemic induced shocks. Resilient manufacturing, infrastructure and agricultural sector output, increasing tax and GST collections and reasonable credit growth augur well for the economy. Of course, a broad range of risks including inflation and climate (e.g. monsoon-led) will remain. To push growth Government is encouraging private capital investments to also drive employment, demand and productivity. India expects to grow at a moderate 6 - 6.5% in 2023-24, while the global economy could achieve 3%.

The Company delivered a 3rd consecutive year of strong performance, sustained by competent management, dedicated employees and sound governance. Sales grew in value by 8.3% to INR 510.97 crores (INR 471.72 crores), even if aggregate production fell by 5.5% to 27,857 MT (29,508 MT). The volume fall was visible at Coex division during the 2nd and 3rd quarters due to a muted consumer durables market, and due to job-work elimination on transfer of the erstwhile Barjora unit (manufacturing packaging grade BOPP films, sale & transfer was approved by shareholders in FY 2019-20 and was concluded on October 20, 2022). However, a higher value-added product-mix across divisions, and the general resilience in operations of our clientele, supported the overall improvement.

During the year West Bengal Electricity Regulatory Commission (WBERC) fixed the power tariff of Damodar Valley Corporation for 2017-18 & onwards, imposing a sudden retrospective demand of INR 3.15 crores. While this has been challenged/taken up in various forums, for prudence the entire demand has been charged off in the accounts.

In summary, the PBIDT was higher by 19.2% at INR 78.28 crores (INR 65.66 crores). As interest was lower at INR 7.53 crores (INR 13 crores) PBDT was higher by 34.3% at INR 70.75 crores (INR 52.65 crores). After depreciation, PBT was higher by 45.9% at INR 59.23 crores (INR 40.59 crores). Profit after Tax as reported above was marginally higher over the last year after accounting for deferred tax assets and liability (this accounting has no impact on operating profits and the cash flow - which are key drivers of core business value).

Overall debt during the year reduced by INR 63.97 crores (INR 45.87 crores) including by prepayment of domestic loans and ECB. It is promising that all normal long term loans stand repaid at year-end, well before schedule; only loans under Guaranteed Emergency Credit Line (government guaranteed) are repaid as installments fall due. We believe this debt mitigation helps provide a sound foundation for our expansion plans.

The dielectric film line (Biax division) delivered a healthy performance with near full capacity utilization and a continuing shift towards thinner films, suitably balancing the product-mix with market opportunities. The Company remains the most significant Indian manufacturer of high-quality dielectric BOPP films. With own development capabilities, we stand established in the market, competing with imports from multiple suppliers in China, Japan, South Korea and Europe. Our exports to USA & Germany sustained well. Excitement and growth in EV (electrical vehicles) and non-conventional energy segments also augur well for the range of the Company's competencies and products.

Consumer durables, including refrigerators (significant client base for Coex division at Ranjangaon and Greater Noida) faced difficult market conditions during the 2nd and 3rd quarters, after a strong 1st quarter. Markets were better towards year end and one may expect renewed demand for white goods in coming periods. Aggressive competition in their own market does force our OEM customers to limit value-addition afforded to us. The Company continues to be the leading supplier of sheets and liners for refrigerators of most leading brands. The white goods industry in general holds good and long-term potential and the interest of global players.

In the coming year, it may be reasonable to expect growth from a blend of management efforts to enrich value-additions via product-mix fine-tuning and improved markets for consumer durables whereby Coex division output can go up.

Xpro India Limited : Annual Report 2022/23

The Board has approved an equity investment of upto INR 2 crores for a 26% equity stake in a SPV with Tata Power Renewable Energy Limited for sourcing solar energy through Open Access for Coex division's Ranjangaon unit. Supply of this lower cost energy is expected to commence in FY 24-25.

Operations of the subsidiary company Xpro Global Limited were not material, with trading activities on the back burner during the year while management focuses on the parents' core activities.

GROWTH

We share information here to the extent relevant and within boundaries that, in our opinion, are reasonably required in light of the Company's strategic and competitive position. As mentioned in our earlier report, our preferred approach to increasing business value is via investing in organic growth. The Company intends to maintain its leadership position and increase market presence in its product niche areas, building on its manufacturing assets and skills, development, marketing and export competency, and healthy relationships.

This has brought material capacity expansion back to our agenda. To build long-term business value in an effective way we prioritize fundamentals over simply short-term targets. The key strategic elements management is pursuing is global scaling of capacity, product advances and sustainable cost competitiveness.

It is equally important for us to point out that the Company's technical excellence and superior customer service levels have come about due to diligent application of mind and sustained organizational efforts at all levels. This homegrown perspective inspires a sense of great pride in our Indian-centric technological and skill self-sufficiency.

As reported earlier, our foreseeable largest thrust is on Biax division. Expansion in the Coex division requires a shorter timeline and lower resources and can be pursued linked with market demands. The ground reality, that the Company has been consistently operating on competitive terms in face of significant imports of dielectric films at zero duty, merits due confidence.

Last year we announced intent to significantly expand capacity for dielectric and other technologically superior grades of biaxially oriented polypropylene film. The first phase aims to double capacity at the existing location at Barjora, to be followed by a second phase at another appropriate location. These were expected (last year) to take about 2 - 4 years taking into account long key equipment delivery periods - the critical-path activity for this investment. At this time we are happy to affirm that management has taken many effective strides for implementation of its blueprint, starting with securing supply of two state-of-the-art manufacturing lines from reputable suppliers. The first line to be installed at Barjora is likely to start contributing in FY 2024-25 and the second line (location soon to be finalized) is expected to do so in FY 2025-26. Shareholders will be pleased to note that this is in line with the 2 - 4 years estimate as in our report for FY 2022.

These new lines each represent the largest investments undertaken by the Company; the expansion is expected to enhance our domestic first-mover advantage, besides helping achieve a globally worthy capacity and market standing and even greater credibility as a supplier of state-of-the-art dielectric film products and intelligent solutions.

DIRECTORS AND KEY MANAGEMENT PERSONNEL

At the last Annual General Meeting on June 24, 2022, Sri K. Balakrishnan was appointed as Non-Executive Independent Director to hold office for a term of five years with effect from May 25, 2022. Sri Bharat Jhaver was also appointed as a Non-Executive Non-Independent Director liable to retire by rotation with effect from May 25, 2022. Sri Jhaver retires by rotation at the ensuing Annual General Meeting. Being eligible, he offers himself for re-appointment in terms of Section 149, 152 and other applicable provisions of the Companies Act, 2013.

The Board, on recommendation by the Remuneration and Nomination Committee, re-appointed Sri Sidharth Birla, Chairman, in whole-time employment of the Company, for a period of 3 years (not liable to retirement by rotation) with effect from March 1, 2023. Shareholders have approved the re-appointment and remuneration through resolution passed by postal ballot on May 19, 2023.

Sri Kamal Kishor Sewoda was appointed Company Secretary with effect from February 15, 2023 pursuant to the vacancy on resignation of Sri Amit Dhanuka effective January 14, 2023.

During the year, six Board Meetings were convened and held as per details in the annexed Corporate Governance Report. The Independent Directors met separately on February 25, 2023 as required.

Xpro India Limited : Annual Report 2022/23

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 and information on conservation of energy, technology absorption & foreign exchange earnings and outgo is furnished in annexure hereto.

The Board has, on recommendation of the Remuneration and Nomination Committee, framed a policy for appointment and remuneration of Directors and Senior Managerial Personnel and criteria for determining independence and relevant matters (policy and criteria are annexed; also available at 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 individually for directors (including independent) as well as the evaluation of its Audit, Remuneration and Nomination, and Stakeholders Relationship Committees. The concerned Director does not participate in a meeting while he/she is being evaluated. A questionnaire was circulated to all Directors. The Remuneration and Nomination Committee also evaluated the performance of every Director. 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 (available at www.xproindia.com/Codes/XILPolMatSubs.pdf). The Company has one wholly owned subsidiary viz. Xpro Global Limited. Performance and financial position of the said subsidiary is annexed herewith in Form AOC-1 as required.

The Company has constituted a Risk Management Committee of the Board to, inter alia, review business risks with the responsibility of implementing and monitoring the Risk Management Policy on a periodic basis. The main objective of such policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the Company’s business and processes. 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. Internal audit 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 is also evaluated and all corrective actions are taken, based on reports or whenever merited.

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 on March 31, 2023.

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 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; details are in our Corporate Governance Report. There was no instance during the year where the Board did not accept any recommendation of the Audit Committee.

The Company has a vigil mechanism for directors and employees under a Whistle Blower Policy; no employee is denied access to the Audit Committee in this regard. The policy provides for safe guards through Protected Disclosures against victimization of persons who use such mechanism, is displayed on the Company’s website and is also annexed herewith. Information 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 is annexed. A committee looks into complaints, if any, under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; no complaint was filed during the year and none are pending.

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

Xpro India Limited : Annual Report 2022/23

The committee on Corporate Social Responsibility (CSR) is compliant with Section 135 of the Companies Act, 2013; details are furnished in the Corporate Governance Report. CSR activities are carried on mainly through implementing agencies or via contribution to approved funds. The CSR Policy and the annual report on CSR are annexed herewith.

The Company is presently among the top 1,000 listed entities based on market capitalization on March 31, 2023. A Dividend Distribution Policy was adopted and is available at www.xproindia.com/Codes/XILDivDistPolicy.pdf. The 'Business Responsibility and Sustainability Report' (BRSR) under Regulation 34(2)(f) of SEBI (LODR) Regulations is annexed and forms part of this Annual Report. The Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

As per Regulation 17(8) of SEBI Listing Regulations, 2015 the CEO and CFO certified the financial statements; 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 Chandiook & Co LLP, Chartered Accountants, were re-appointed as Statutory Auditors at the 25th Annual General Meeting ("AGM") held on June 24, 2022 to hold office for a second and final term of 5 (Five) consecutive years from conclusion of the 25th AGM till the conclusion of the 30th AGM.

Pursuant to Section 204 of the Act, the Company appointed Sri Girish Bhatia, practicing Company Secretary, to undertake Secretarial Audit. The report of Secretarial Auditor is annexed herewith. Cost Audit for the year ended March 31, 2023 is carried out by M/s Sanghavi Randeria & Associates, Cost Accountants, Mumbai (Registration No. 00175). The Board, on recommendation by the Audit Committee, has appointed the said M/s Sanghavi Randeria & Associates to conduct audit of the cost records for the year ending March 31, 2024; under Section 148 (3) of the Act their remuneration is required to be approved at the ensuing AGM.

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, Shareholders and Warrant-holders. 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 challenging but exciting period. We greatly appreciate the trust, faith and confidence of the Stakeholders as reposed in the Company.

For and on behalf of the Board

New Delhi
May 22, 2023

Sidharth Birla
Chairman
(DIN: 00004213)

Xpro India Limited : Annual Report 2022/23

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 the management itself, and is ultimately a positive for all stakeholders. The management and organization at Xpro India Limited strive 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 10 Directors, of whom 6 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 6 independent Directors viz. Sri K. Balakrishnan (Financial Advisor), Sri Amitabha Guha (a Banker), Sri Ashok Kumar Jha (IAS (retd.), formerly Finance Secretary, Govt. of India), Ms. Suhana Murshed (Advocate), 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*, describes their basic role, functions, duties and responsibilities. A familiarization program for Independent Directors acquaints them with these, and nature of industry where the Company operates, Company's business model etc. (relevant details of familiarization programs are on the Company's website at www.xproindia.com/Codes/XILIDFmlrznProg.pdf). The Remuneration & Nomination Committee has a 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 evaluation, the Board determines continuation or extension of the term of Independent Director. Performance evaluation of non-independent Directors and the Board as a whole and the Chairman is also done by the Independent Directors as per relevant regulations. The Board deliberates duly on orderly succession of Board members and 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 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; Sri Bharat Jhaver, Non-Executive Non-Independent Director, is related to them; 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, 2023.

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 other Directors are liable to retire by rotation and, when eligible, qualify for re-appointment.

Xpro India Limited : Annual Report 2022/23

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 (INR)	Shareholding
<u>Independent</u>				
Sri K Balakrishnan (<i>w.e.f. May 25, 2022</i>)	5 / 6	2 / 2 / -	5,00,000	-
Sri Amitabha Guha	5 / 6	3 / 4 / -	9,40,000	-
Sri Ashok Kumar Jha	6 / 6	3 / 3 / 1	7,00,000	-
Ms. Suhana Murshed	5 / 6	4 / 1 / -	6,00,000	-
Sri Utsav Parekh	5 / 6	9 / 7 / 4	8,90,000	750 (neg.%)
Sri S. Ragothaman	6 / 6	3 / 1 / 1	9,50,000	1,02,739 (0.56%)
<u>Non-Executive, Non-Independent</u>				
Sri Bharat Jhaver (<i>w.e.f. May 25, 2022</i>)	5 / 6	1 / 1 / -	5,00,000	-
<u>Representing Promoters</u>				
Smt. Madhushree Birla	6 / 6	3 / - / -	6,00,000	1,50,187 (0.82%)
Sri Sidharth Birla	6 / 6	4 / 1 / -	Nil	1,52,812 (0.84%)
<u>Executive (Managing Director)</u>				
Sri C Bhaskar	6 / 6	4 / 2 / 1	Nil	70,266 (0.39%)

- Sri Sidharth Birla & Sri C Bhaskar are employed by the Company;
- Fees include those for committee meetings;
- Details of skills/experience/competence of Directors and directorship in other listed entities 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.

Xpro India Limited : Annual Report 2022/23

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 6 times - on May 25, July 6, August 1, & November 8, 2022 and February 6 & March 14, 2023.

Independent Directors' Meeting held on February 25, 2023 to address matters prescribed both under the Act & SEBI Listing Regulations, was attended by Sri Amitabha Guha, Sri Ashok Kumar Jha, Ms. Suhana Murshed, Sri Utsav Parekh and Sri S. Ragothaman.

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 May 25, August 1 & November 8, 2022 and February 6, 2023 and the meetings were attended by all members. The Chairman of the Audit Committee could not attend the last Annual General Meeting held on June 24, 2022.

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 twice during the year. The meeting of May 4, 2022 was attended by all members, while Sri Amitabha Guha and Sri Utsav Parekh

Xpro India Limited : Annual Report 2022/23

attended that of January 12, 2023. 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: INR 50,000 each per meeting of the Board INR 50,000 each per Independent Directors' Meeting, INR 30,000 each per meeting of the Audit Committee, INR 25,000 each per meeting of the Remuneration & Nomination Committee, INR 30,000 each per meeting of the Committee of Directors, INR 25,000 each per meeting of the Risk Management Committee and INR 5,000 each per meeting of the Stakeholders' Relationship Committee. A fee of INR 12,500 is paid for each meeting of the Working Group. No fee is paid for meetings of the CSR Committee. However considering the time and participation commitments frequently required of the Directors inter-alia arising from the company having embarked on substantial capacity enhancement for Dielectric Films involving tripling of capacity and involving capital expenditure of over INR 500 crores, for which significant additional time, guidance and effort was sought from the Directors to ensure that opportunities and challenges were appropriately weighed, to lead to positive outcomes, especially keeping in view the extent and wide-ranging nature of issues in a dynamic, and sometimes challenging, economic scenario, an enhanced fee of INR 100,000 each per Board Meeting and Meeting of Independent Directors attended, INR 50,000 each per meeting of the Audit Committee and INR 35,000 each per meeting of the Remuneration & Nomination Committee was paid to eligible directors, as a special case during 2022-23. Members have approved the payment of remuneration to Sri Sidharth Birla, Chairman, re-appointed with effect from March 1, 2023 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 INR 10.00 lacs per month, house rent allowance of INR 1.75 lacs per month and other benefits/allowances as per rules of the Company. Members have 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, 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 INR 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 INR 8.00 lacs per month plus benefits and allowances as per Company rules; a lumpsum bonus of INR 31.50 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 29,000 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 Kamal Kishor Sewoda, Company 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 May 25, August 1, & November 8, 2022 and February 6, 2023, and the meetings were attended by all members. The Company/RTA received 17 complaints during the year from shareholders (directly or through regulatory bodies); as of March 31, 2023 (a) all complaints 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. There was no meeting of the Committee during the year.

Xpro India Limited : Annual Report 2022/23

Corporate Social Responsibility Committee

The Board of Directors has 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 January 27, 2023.

Risk Management Committee

The Board of Directors has constituted a Risk Management Committee (“RC”), in line with 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 meetings on September 19, 2022 and March 14, 2023 were attended by all the members.

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/SEBI. Annual General Meetings are held at its Registered Office at Barjora-Mejia Road, P.O. Ghutgoria, Tehsil: Barjora, District: Bankura 722 202, West Bengal. The last three AGMs were held on June 24, 2022, August 10, 2021 and September 29, 2020 through Video Conferencing/Other Audio Video Means. 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 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; at the AGM held on August 10, 2021 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, 2021 and approval of Remuneration payable to him; and at the AGM held on June 24, 2022 for the appointment of Sri K Balakrishnan as a Non-executive Independent Director of the Company for a term of five years with effect from May 25, 2022. Special Resolution with regard to issue and allotment of up to 19,68,000 warrants, each carrying a right to subscribe to 1 Equity Share of the Company, at an issue price of INR 762 (Rupees Seven Hundred Sixty Two only) per Warrant (including a premium of INR 752), on a preferential allotment basis was passed by the Members at the extra ordinary general meeting held on December 29, 2021. 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.1267) 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 mcsta@rediffmail.com (of Registrar and Share Transfer Agents). Shareholders may also write to the Registrars directly in matters relating to transmission, dematerialization, 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. During the year the Company made a presentation for the investor community which was simultaneously uploaded on the websites of the Company and of the Stock Exchanges. The financial year of the Company is April 1 to March 31. The Company's Equity Shares

Xpro India Limited : Annual Report 2022/23

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). 98.52% of the Company’s paid up equity share capital has been dematerialized up to March 31, 2023 (including 2.70% pending for corporate action). As informed in the previous Annual Report, no shares remain unclaimed to the credit of “Xpro India Limited - Unclaimed Suspense Account”. A total of 4,23,031 shares pertaining to 22,197 shareholders remained in the IEPF Suspense A/c as of March 31, 2022. During the year, 206,392 bonus shares allotted were transferred to IEPF Suspense A/c in compliance of applicable law, while 22 shareholders had been issued 3,944 shares out of the IEPF Suspense A/c and accordingly, there were 6,25,479 shares belonging to 22,175 shareholders in the IEPF Suspense A/c as on March 31, 2023. 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.

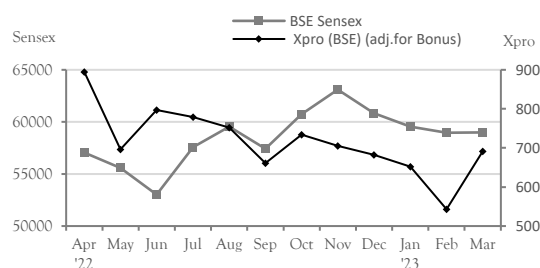
Type of Shareholder	Nos.	% by amount	Nominal Value of Shareholding	Nos.	% by amount
Banks, FI's, Insurance Companies	16	0.03	Upto INR 5,000	28,731	7.99
Central/State Government	1	0.04	INR 5,001 to INR 20,000	879	4.47
Domestic Companies	151	53.19	INR 20,001 to INR 1,00,000	204	4.53
Mutual Funds	4	0.06	INR 1,00,001 and above	82	83.01
Non-residents	352	2.20			
Resident individuals/others	29,372	44.48		29,896	100.00
	29,896	100.00			

Note: aggregate of Public shareholding: 48.63%

Share Price by Month	NSE		BSE	
	High	Low	High	Low
April 2022 *	1545.00	1240.00	1529.00	1230.05
May *	1359.00	976.10	1374.00	966.60
June *	1355.80	986.25	1364.40	993.00
July	928.00	722.90	918.80	717.10
August	849.90	726.00	850.00	735.00
September	878.00	638.35	877.00	646.90
October	799.50	662.30	799.00	660.15
November	783.95	689.05	782.95	690.00
December	776.95	587.25	777.65	590.55
January 2023	760.00	625.00	759.25	630.00
February	665.00	520.25	664.10	528.00
March	731.80	533.55	731.00	537.50
During the Financial Year	1545.00	520.25	1529.00	528.00

*Pre-bonus price

Equity Share Performance Compared to BSE Sensex
(Based on Month-end Price / Sensex)



During the year, India Ratings and Research Private Limited assigned upgraded ratings of IND BBB+ (outlook stable) to the Company’s fund-based limits of INR 91.42 crores (long term) [upgraded from previous year rating of IND BBB (outlook positive) for Fund-based limits of INR 156.20 crores (long term)] and reaffirmed rating of IND A2 for Company’s non-fund-based limits of INR 37.00 crores (short term). At the Company’s request, to avoid duplication, Brickwork Ratings India Pvt. Ltd. has withdrawn their rating during the year.

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 INR 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

Xpro India Limited : Annual Report 2022/23

the impact of price fluctuations on finished goods. The Company has in place a risk management framework for identification, monitoring and mitigation of such risks. The Company is not dealing/trading in any commodities or 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.

Proceeds, being subscription and allotment money and payment towards warrant exercise price, against the issue of convertible warrants on a preferential basis are being fully utilized for the purposes as stated in the offer letter.

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 22, 2023

Sidharth Birla
Chairman
(DIN: 00004213)

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, 2023.

New Delhi
May 22, 2023

C. Bhaskar
Managing Director & Chief Executive Officer
(DIN: 00003343)

Xpro India Limited : Annual Report 2022/23

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, 2023 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	K. Balakrishnan	00034031	25.05.2022
3	Madhushree Birla	00004224	21.01.2004
4	Amitabha Guha	02836707	24.03.2011
5	Ashok Kumar Jha	00170745	26.07.2013
6	Bharat Jhaver	00379111	25.05.2022
7	Suhana Murshed	08572394	10.08.2021
8	Utsav Parekh	00027642	15.09.1999
9	S. Ragothaman	00042395	17.03.2000
10	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.

Kolkata
May 04, 2023

Name: Girish Bhatia
Company Secretary in practice
Membership No. F3295
CP No.: 13792
UDIN: F003295E000252698
Peer Review: 2011/2022

Xpro India Limited : Annual Report 2022/23

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 12 May 2023.
2. We have examined the compliance of conditions of corporate governance by Xpro India Limited ('the Company') for the year ended on 31 March 2023, 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 have 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 31 March 2023.

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

Ashish Gera
Partner
Membership No.: 508685
UDIN: 23508685BGYCQZ7963
Place: New Delhi
Date: 22 May 2023

Xpro India Limited : Annual Report 2022/23

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 45 years, is a Science Honours Graduate from University of Calcutta, 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.

Sri K Balakrishnan (DIN: 00034031)

A qualified Chartered Accountant and Company Secretary with over three decades of professional experience, he has expertise in financial services, providing strategic and financial advice to Indian & multinational corporations, financial sponsors and business families. Currently, Chairman of Kricore Financial Advisors Private Ltd., Director in Kricore Ventures Private Ltd, and Independent Director on the Board of Fedbank Financial Services Ltd. (Unlisted), he has earlier been Chairman & Managing Director of Lazard India and Head of Corporate Finance & Advisory for HSBC Investment Bank.

Smt. Madhushree Birla (DIN: 00004224)

Graduate from University of Ahmedabad, was first appointed on the Board in 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., and Texmaco Rail & Engineering Limited (both listed entities) 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 year 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 Bharat Jhaver (DIN: 00379111)

A Chemical Engineer with a Master's degree from Cornell, USA, he is presently President of his family-owned Tablets (India) Limited. He has an experience of over a decade in managing multi-varied businesses with expertise in Pharmaceuticals and in establishing and managing joint ventures. Recognised as 'Leading Health Professional of the World 2010' in the arena of "Probiotic Revolution in India", he has also been awarded at the Indian Pharma Association Convention 2010. He is presently a Non-Executive Non-Independent Director on the Board of Dhunseri Ventures Limited (Listed Entity) and Director in Sinto Bharat Manufacturing Private Limited, Amethyst Properties Private Limited and Eldorado Properties Private Limited. He is a Member of the Audit Committee of Dhunseri Ventures Limited and is a Designated Partner in RSRK Estates LLP, Shraavan Ventures LLP, Shraavan Technology LLP, Just Rental Holdings LLP and Grande Assets Madras LLP. He is also a member of the National Executive Committee of FICCI, of the Executive Committee of YPO-Chennai and a Trustee of the Birla Education Trust, Pilani.

Ms. Suhana Murshed (DIN: 08572394)

Holds a Master's Degree in Law (LLM) from King's College London, United Kingdom and is affiliated with the Bar Council of Maharashtra and Goa. She 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 fifteen years. 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. She is presently Independent Director on the Boards of Kanoria Chemicals & Industries Limited, SAREGAMA India Ltd. and STEL Holdings Ltd. and Director in Sallum Private Ltd.

Sri Utsav Parekh (DIN: 00027642)

Holds a Bachelor's Degree in Commerce with honours. He has vast and continuing experience of about 42 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 Director

Xpro India Limited : Annual Report 2022/23

of Eveready Industries India Limited (listed entity) and independent director of listed entities Firstsource Solutions Limited, Jay Shree Tea and Industries Limited, SMIFS Capital Markets Limited, Spencer's Retail Limited, and Texmaco Rail and 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., ATK Mohun Bagan Private Limited and Progressive Star Finance Private Limited. He is a Partner of Stewart & Co., Catch 22 Informatics LLP, Chowringhee Planners LLP, Ellora Agro LLP, Eternal Sounds 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 vast experience of over 46 years in the financial field. He is presently 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 44 years in Consulting, Industry, Business and Financial Management including over 39 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, Sri K Balakrishnan, Smt. Madhushree Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Bharat Jhaver, Ms. Suhana Murshed, 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, Sri K Balakrishnan, Smt. Madhushree Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Bharat Jhaver, Ms. Suhana Murshed, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
3	Specific industry knowledge and experience	Sri Sidharth Birla, Sri Bharat Jhaver and Sri C. Bhaskar
4	Financial Expertise	Sri Sidharth Birla, Sri K Balakrishnan, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Bharat Jhaver, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
5	Risk Management	Sri K Balakrishnan, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Bharat Jhaver, 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, Sri K Balakrishnan, Smt. Madhushree Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Bharat Jhaver, Ms. Suhana Murshed, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
7	Corporate Governance	Sri Sidharth Birla, Sri K Balakrishnan, Smt. Madhushree Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Bharat Jhaver, Ms. Suhana Murshed, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
8	Global Experience / International Exposure	Sri Sidharth Birla, Sri K Balakrishnan, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Bharat Jhaver, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar
9	Corporate Social Responsibility	Sri Sidharth Birla, Sri K Balakrishnan, Smt. Madhushree Birla, Sri Amitabha Guha, Sri Ashok Kumar Jha, Sri Bharat Jhaver, Ms. Suhana Murshed, Sri Utsav Parekh, Sri S. Ragothaman and Sri C. Bhaskar

For and on behalf of the Board

New Delhi
May 22, 2023

Sidharth Birla
Chairman
(DIN: 00004213)

Xpro India Limited : Annual Report 2022/23

MANAGEMENTS' DISCUSSION & ANALYSIS REPORT

We have pleasure in submitting the Managements' Discussion & Analysis Report ("MDA") on the Company's businesses. We have included specified matters, to the extent relevant and within boundaries that in our opinion are reasonably imposed by the Company's strategic and competitive position. An overall economic overview is covered in the Directors' Report. The Indian economy, on the other hand, moved on from the pandemic, led by private consumption, government investment and capital formation to emerge as one of the fastest growing economies in the world. Resilient manufacturing, infrastructure and agricultural sector output, sustained high GST collection, moderating inflation and reasonable credit growth augur well for the economy; India is expected to grow at a moderate 6 - 6.5 % in 2023-24. In a general sense, certain sectors continue to do better than others.

Our performance reflects the overall climate in our markets, impact of strategic steps during the last few years and our position as a key supplier to, the growing white goods and dielectrics segments. Sales value of the product and value-add mix grew by over 8% to INR 510.97 crores (INR 471.72 crores), despite fall in aggregate production volumes by 5.5 % to 27,857 MT (29,508 MT). Global recognition for Xpro products remains strong and exports were at INR 17.46 crores (INR 22.62 crores previous year) with Biax division exports higher by about 6% while Coex division exports were lower mainly due to the disturbed economic conditions in Sri Lanka. Production costs were controlled with productivity enhancements. PBIDT was higher at INR 78.28 crores, (INR 65.66 crores). All long term (other than towards working capital) loans were re-paid during the year and the overall debt was brought down by INR 63.97 crores (INR 45.87 crores) including by prepayment of domestic loans and remaining foreign currency denominated ECBs. Interest and other finance costs were accordingly lower at INR 7.53 crores against INR 13.01 crores in the previous year. Profit after Depreciation (PBT) was INR 59.23 crores (INR 40.59 crores). Changes in key financial ratios: PBT ratio up from 8.6% to 11.6%, debt service coverage ratio up from 1.87 to 2.55, and debt : equity down from 0.51 to 0.15 as a consequence of improved operating and financial performance, reduction in total borrowing and raising of capital. {Other ratios detailed in Notes to accounts.]

During the year, the West Bengal Electricity Regulatory Commission (WBERC) had determined the power tariff to be levied by DVC (power supplier to Biax Dielectric Films Unit at Barjora) for the years 2017-18 and onwards, resulting in a retrospective demand amounting to INR 315.61 lacs to be paid in instalments. The matter has been taken up in various fora including legal and through association of consumers; however the entire demand has been provided in the accounts for the year 2022-23, resulting in reduction in profit to that extent.

The exercise aimed towards identifying and driving various sustainable cost reduction and operational efficiency improvement initiatives at our production units undertaken with Deloitte Touche Tohmatsu India LLP was completed during the year. Some areas offering quick benefits have been implemented, other have been identified for further study and possible implementation; continuing results are expected to be derived in future.

During the year, the Board has approved equity investment of upto INR 2 Crores towards 26% equity in a SPV with Tata Power Renewable Energy Limited for sourcing Solar energy for the Coex division - Ranjangaon Unit under Captive Open Access mode, from a 3.125 MW (approximately 4.5 MWp) facility being set-up. Utilization of this lower cost energy is expected to commence in early 2024-25.

The sale and transfer of erstwhile Unit I at Barjora (manufacturing packaging grade BOPP films), approved by Shareholders in FY 2019-20) was completed on October 20, 2022; transitory arrangements, including toll manufacturing at this unit on account of the acquirer, continued till that date.

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. 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).

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. None of the Company's product ranges have, however, been linked with these environmental concerns.

Xpro India Limited : Annual Report 2022/23

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	2023		2022	
	Production	Net Sales	Production	Net Sales
	MT	INR crores	MT	INR crores
Biax division	3,635	159.75	3,833	129.21
Biax division (toll manufacture)	1,250	5.09	1,756	8.83
Coex division	22,972	346.13	23,919	333.68
	27,857	510.97	29,508	471.72

(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 generally 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, Energy Policies and Safety & Health standards at Biax division, Barjora have been duly certified under ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. Biax Barjora unit manufacturing dielectric films is also certified under IATF 16949:2016 which is mandatory for organizations manufacturing parts for the automotive industry. Similarly, Quality Management Systems at Coex division manufacturing unit at Greater Noida and Ranjangaon are certified under relevant 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 Barjora Unit and 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. The Company’s Coex division - Greater Noida Unit has received a Bronze rating under the Green Co 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. During the year, the Company was recognized as “Best Extrusion Processor” by Modern Plastics. Awards during the year include ‘Product Innovator of the Year in Petrochemicals’ and ‘Sustainability Excellence in Safety in Petrochemicals’ at the INDIA CHEM 2022 (under the auspices of the Ministry of Chemicals & Fertilizers); the Gold Award at the 14th Quality Council of India DL Shah Quality Awards of the National Board of Quality Promotion; and at the 47th ELCINA Awards, 2nd Prize for ‘Excellence in Quality Management’, 2nd Prize for ‘Environment Management’ and Certificate of Merit for ‘Excellence in Exports 2021-22’.

Biax division

Biax division manufactures a range of special purpose Polypropylene based Dielectric Films (Capacitor Films) on dedicated sophisticated and automated production lines, Our focus and strategic intent remains dedicated within our

Xpro India Limited : Annual Report 2022/23

core strengths to special products and niche markets, largely thin films for specialized electrical applications, where we remain the significant domestic producer and which together with consistent high quality and service standards has enabled us to maintain high capacity utilization. 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 micron to 16 microns for metallized 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. Our available capacity is fully utilized, maintaining a respectable domestic market share through the year (over 30% - with the balance being substantially met through imports), besides export opportunities pursued from a strategic and long term intent (at almost 9% of total dielectric film sale during the year). Besides growth in conventional applications, growth in the electric automobile (EV) segment and non-conventional energy (mainly Solar) 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 and semi-rough film developed for locomotive applications are now commercialized and part of the product range. Considering the need for additional capacity, we have placed firm orders for two manufacturing lines (together with required ancillary equipment) on reputed well established European Suppliers. The first of the new lines, which would essentially double capacity at the existing facility at Barjora, is expected to be shipped from Europe towards year-end. The second line is expected to be shipped end-2024, taking into account long equipment delivery periods - which incidentally is the critical-path activity for this investment. Project implementation work is proceeding to schedule. Production at Unit II (dielectric films unit) was 3,635 MT. Production on job-work basis (1,250 MT) was carried out on Unit I line (erstwhile packaging film line) till October 20, 2022, while awaiting transfer of the Unit. Total production at Biax division during the year was 4,885 MT; sales at INR 164.84 crores were nearly 20% higher reflecting the drive towards higher value add product-mix.

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 remains one of the fastest growing consumer appliances markets globally with higher disposable incomes, easing in consumer credit, the growing working population rural electrification and the work-from-home concept being the key drivers of demand. The production of refrigerators in India, comprising a key market for products of the Coex division, at 15.2 million units during the year, reflected a growth of nearly 17% over the previous year, and is reflective of the growth potential of this segment. A rapid recovery in the first quarter gave way to a depressed market for consumer durables during the second and third quarter of the year, with the fourth quarter showing a production pickup in expectation of strong demand recovery and a good summer. In the overall, production of sheets and liners during the year was lower by about 3%. 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 sustain 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. Overall volumes in cast films from Ranjangaon was about 8 % lower than in the previous year. Within our major market segments for cast films, the hygiene segment continues to exhibit consistent growth in excess of 10% per annum, with the medical disposables and adult incontinent product segments, in particular, poised for high growth; the release film segment also grew reflecting our continued strong presence in the tyres and tread segment. Steps are being continuously taken to optimize the production capabilities and improve production efficiencies on available cast film lines. Reflecting overall market circumstances, the total production of sheets, including as liners, (adjusted for inter-unit transfers) and cast films at Coex division was at 22,972 MT during the year with sales value at INR 346.13 crores.

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

Xpro India Limited : Annual Report 2022/23

possible. All necessary steps are taken towards our intent and policy of a safe working environment. We adhere to all Environmental laws as applicable at each location and are responding effectively to the changing regulations around plastic waste management.

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 high performance culture, built on trust and mutual respect. Permanent employment is 203 (last year 261); reduction being mainly due to transfer of packaging film unit.

Others

Global development banks have projected a moderate economic growth for India in the coming year, due to factors such as global slowdown, tight monetary conditions, and elevated oil prices and expect economic growth in 2023-24 to be nearer 6.4% down from estimated 6.8 in the previous year. Future growth would be driven by private consumption and investment, the government's continuing infrastructure push, and fiscal prudence. Logistics, demand patterns and labour remain uncertain variables. The global situation may further be compounded by the geo-political uncertainties arising from the war in Europe, and weather related shocks. We continue 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. While domestic demand is expected to remain the main driver of growth, export market expansion is also a key target area. Positive policy actions towards growth, global climate change and steps towards control of carbon dioxide emission, control on inflation and rural income support are expected to translate into improved market sentiment boosting domestic and global consumption. However, the external environment, including tightening financial markets, pressures generated by imports competing with some products, potential crude and polymer price volatility and rupee volatility, 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 possible recurrences of the Covid-19 & variants driven pandemic and, 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 22, 2023

C. Bhaskar
Managing Director & Chief Executive Officer
(DIN: 00003343)

Xpro India Limited : Annual Report 2022/23

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.

Xpro India Limited : Annual Report 2022/23

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 representative 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.

Xpro India Limited : Annual Report 2022/23

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.

Xpro India Limited : Annual Report 2022/23

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 remuneration drawn during the year 2022-23:

Name	Designation of the Employee	Remuneration Received (INR lacs)	Qualifications	Experience (Years)	Date of Commencement of employment	Age (Years)	Last Employment held
Sri Sidharth Birla*	Chairman	1,34.20	B.Sc. (Hons), M.B.A.	45	01/03/2000	65	Cimmco Birla Limited
Sri C. Bhaskar*	MD & CEO	1,56.33	B.Tech.(Chem), PGDM (IIM-C) MIMA, FIP	44	01/01/1984	68	VXL India Limited
Sri H Bakshi*	Sr. President & COO	1,25.31	B.Techi(Chem), Dip. Ind. Safety	45	25/01/1993	67	Ceat Limited
Sri V. K. Agarwal	President (Finance) & CFO	98.36	B.Com., FCA, ACS	36	11/02/2008	57	Wire & Wireless (India) Ltd.
Sri N Ravindran	Joint President (Mktg.) & CMO	97.26	B.Sc., M.Sc., PGDM (IIM-A)	36	01/07/1995	61	Bata India Limited
Sri Radhey Shyam	Executive Vice President, Coex Division, (RNJ)	60.85	Dip. Mech. Eng.	42	08/08/2016	61	Amber Enterprises India Pvt Ltd.
Sri Sunil Mehra	Executive Vice President, Coex Division, (GRN)	39.43	B.A. Economics (Hons), MBA	44	16/02/1996	66	Ankit Granites Limited
Sri Anir Kumar	Vice President (Marketing)	35.41	B.Com., MBA (Marketing)	30	15/10/1997	52	Oswal Chemicals & Fertilizers Ltd.
Sri Anir Ghosh	Vice President (QA & Customer Support), Bax Division	35.09	M.Sc. (Chem.), M.Tech.(Chem), PG Dip. (Packaging technology)	33	04/03/1991	58	Royal Bhutan Civil Service
Sri Sanjay Kumar Parodia	Exec. Vice President (Commercial) Bax Division	33.73	B.Com., ACA, ACS, MBA	39	01/06/2020	62	Maharashtra Seamless Ltd.

ii. a) Employed for the year and in receipt of remuneration in aggregate not less than INR 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 INR 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, Smt. Madhushree Birla and Sri Bharat Jhaer 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

Sidharth Birla
 Chairman
 (DIN: 00004213)

New Delhi
 May 22, 2023

Xpro India Limited : Annual Report 2022/23

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 (<i>Chairman</i>) | : | 22 : 1 |
| ii) C. Bhaskar (<i>Managing Director & CEO</i>) | : | 29 : 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 (<i>Chairman</i>) | : | 10.38 |
| ii) C. Bhaskar (<i>Managing Director & CEO</i>) | : | 9.33 |
| iii) V. K. Agarwal (<i>Chief Financial Officer</i>) | : | 3.73 |
| iv) Kamal Kishor Sewoda (<i>Company Secretary</i>) | : | - (<i>Not applicable as appointed w.e.f. February 15, 2023</i>) |
- c) The percentage increase in the median remuneration of employees in the financial year: 42.38
- d) The number of permanent employees on the rolls of Company: 203 (*as on March 31, 2023*)
- 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 10.03% and 7.37% for managerial personnel.
- f) If remuneration is as per the remuneration policy of the Company: Yes

(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.

Xpro India Limited : Annual Report 2022/23

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.

Xpro India Limited : Annual Report 2022/23

Annexure to the Directors' Report

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2022-23

1. Brief outline on CSR Policy of the Company:

The Company has framed its CSR Policy in compliance with the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014 (as amended). The Policy on Corporate Social Responsibility is available on the Company's website and also in this Annual report.

2. Composition of CSR Committee:

Sl.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee	
			held during the year	attended during the year
1	Smt. Madhushree Birla	Chairperson of the Committee / Non-Executive Non-Independent (Promoter)	1	1
2	Sri Utsav Parekh	Member / Independent	1	1
3	Sri C Bhaskar	Member / Managing Director & Chief Executive Officer	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

Composition of CSR committee: <http://www.xproindia.com/Codes/XILCSRPolicy.pdf>
 CSR Policy : <http://www.xproindia.com/Codes/XILCSRPolicy.pdf>
 CSR projects: <http://www.xproindia.com/CSR.html>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Not Applicable

5. (a) Average net profit of the Company as per sub-section (5) of section 135: INR 1845.02 lacs
 (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: INR 36.90 lacs
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
 (d) Amount required to be set off for the financial year, if any: INR 6.86 lacs
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)] : INR 30.04 lacs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): INR 47.50 lacs
 (b) Amount spent in Administrative Overheads: Nil
 (c) Amount spent on Impact Assessment, if applicable: Nil
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: INR 47.50 lacs
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (INR lacs)	Amount Unspent (INR lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer.	Name of the Fund	Amount	Date of transfer.
47.50		Nil		Nil	

Xpro India Limited : Annual Report 2022/23

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (INR lacs)
i)	Two percent of average net profit of the company as per sub-section (5) of section 135	36.90
ii)	Total amount spent for the financial year (represents set off amount of INR 6.86 lacs and spend in year of INR 47.50 lacs)	54.36
iii)	Excess amount spent for the financial year [(ii)-(i)]	17.46
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	17.46

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in INR)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in INR)	Amount spent in the Financial Year (in INR)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in INR)	Deficiency, if any
					Amount (in INR)	Date of transfer		
Not applicable								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year

Yes No

If Yes, enter the number of Capital assets created/acquired - Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

Not Applicable

New Delhi
May 22, 2023

C. Bhaskar
Managing Director &
Chief Executive Officer
(DIN: 00003343)

Madhushree Birla
Chairperson of the CSR Committee
(DIN: 00004224)

Xpro India Limited : Annual Report 2022/23

Annexure to the Directors' Report

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

- | | |
|--|--|
| 1. Corporate Identity Number (CIN) of the Company | L25209WB1997PLC085972 |
| 2. Name of the Listed Entity | XPRO INDIA LIMITED |
| 3. Year of incorporation | 1997 |
| 4. Registered office address | Barjora - Mejia Road, P.O - Ghutgoria,
Tehsil: Barjora, Dist.: Bankura 722 202, West Bengal |
| 5. Corporate address | 1218, DLF Tower B, Jasola, New Delhi 110 025 |
| 6. E-mail id | cosec@xproindia.com |
| 7. Telephone | +91-33-40823700 (extn.1267) |
| 8. Website | www.xproindia.com |
| 9. Financial Year for which reporting being done | 2022 - 23 |
| 10. Name of the Stock Exchange(s) where shares are listed | National Stock Exchange of India limited
[also permitted for trading on BSE Limited] |
| 11. Paid-up capital | INR 1821.22 Lacs |
| 12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Sri Kamal Kishor Sewoda, Company Secretary
Phone: +91-33-40823700 (extn.1267)
Email Address: cosec@xproindia.com |
| 13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together). | These disclosures are made on standalone basis. |

II. Products/Services:

14. Details of business activities (accounting for 90% of the turnover on a standalone basis)

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacture of semi-finished of plastic products (plastic plates, sheets, blocks, film, foil, strip etc.);	Polymer processing and manufacture of: - Dielectric/Capacitor Films [Biaxially Oriented Polypropylene Films] in Biax Division - Coextruded Cast Films, Coextruded Sheets & Thermoformed Refrigerator Liners in Coex Division;	98.23

15. Products/Services sold by the entity (accounting for 90% of the entity's turnover on a consolidated basis)

S.No.	Product/Service	NIC Code	% of Total Turnover Contributed
1	Semi-finished plastic products Dielectric/Capacitor Films [Biaxially Oriented Polypropylene Films] and Coextruded Cast Films, Coextruded Sheets & Thermoformed Refrigerator Liners	222 2220 22201	98.23

III. Operations:

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices
National	3	5
International	-	-

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan-India
International (No. of Countries)	4

Xpro India Limited : Annual Report 2022/23

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

Exports sales of INR 17.45 crores (3.42% of total turnover) in 2022-23

c. **A brief on types of customers**

Customers are mainly direct end-users (B to B), comprising impressive list of leading Indian and Transnational Companies, who recognise that the Company builds in quality and consistency and with whom the Company has evolved as a key partner over many years with stable long-term relationships.

For Biax Division: Essentially manufacturers of Capacitors and Metallisers of Film for Capacitor applications. Biax Dielectric films range includes plain smooth films modified for good metallization and winding hazy/rough films finding applications in Power Transmission & Distribution Capacitors, Motor Run Capacitors, Power Film/Electronic Capacitors, Magnetic Lighting Ballast Capacitors, Microwave Oven Capacitors, Low Voltage industrial Power Factor Correction Capacitors, AC & Pulse Film Capacitors, Interference Suppression Capacitors, Energy Storage applications, Capacitors for hybrid cars etc.

For Coex Division: Coextruded sheets and liners: Primarily manufacturers of White goods for use as refrigerator inner and door liners. Also used in automotive interior and exterior trims, furniture, luggage shells, sanitary products (bathtubs, cabinets, electrical/electronic housings, etc.)

Coextruded Cast Films: Primarily to the tyre and tread segment as release film and special hygiene films for use as diaper backing film, in under-pads, adult incontinent products, sanitary napkins and in surgical drapes.

IV. Employees:

18. **Details as at the end of the Financial Year: 2022-23**

a. **Employees and workers (including differently abled)**

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	203	199	98.03	4	1.97
2	Other than Permanent (E)	39	35	89.74	4	10.26
3	Total Employees (D+E)	242	234	96.69	8	3.31
WORKERS						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	334	330	98.80	4	1.20
6	Total Workers (F+G)	334	330	98.80	4	1.20

b. **Differently abled Employees and Workers:**

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	0	0	0	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	Total Employees (D+E)	0	0	0	0	0
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total Workers (F+G)	0	0	0	0	0

19. **Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20
Key Management Personnel	4	0	0

Xpro India Limited : Annual Report 2022/23

20. Turnover rate for permanent employees and workers

	2022-23			2021-22			2020-21		
	(Turnover rate in current FY)*			(Turnover rate in previous FY)			(Turnover rate in the year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5.75	0	5.75	2.68	0	2.68	3.33	0	3.33
Permanent Workers	0	0	0	0	0	0	0	0	0

* excluding permanent employees and workers transferred under business transfer agreement

V. Holding, Subsidiary and Associate Companies (including joint ventures):

21. (a) Names of holding/subsidiary/associate companies/joint ventures

S.No.	Name of the holding / subsidiary / associate / Companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Xpro Global Limited	Subsidiary	100	No

VI. CSR Details:

22. (a) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes

(b) Turnover: INR 510.97 Crores

(c) Net worth: INR 233.55 Crores

VII. Transparency and Disclosures Compliances:

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No (Can report and communicate their grievance, suggestions, etc. to the e-mail ID given to be addressed by the Management)	0	0	-	0	0	-
Investors (other than shareholders)	No (Can report and communicate their grievance, suggestions, etc. to the e-mail ID given to be addressed by the Management)	0	0	-	0	0	-
Shareholders	Yes (Can report and communicate their grievance, suggestions, etc. to the Company Secretary at e-mail ID given for resolution under direction of the dedicated Stakeholders Relationship Committee)	17	0	-	0	0	-
Employees and workers	Yes www.xproindia.com/Codes/XILCodeofConduct.pdf ; www.xproindia.com/Codes/XILPolicyPreventSexualHarass.pdf ; www.xproindia.com/Codes/XILWhistleBlowPolicy.pdf	1	1	Matter (relating to payment of gratuity) is sub-judice	0	0	-
Customers	Yes. Complaints received from Customers is resolved through Marketing and Technical Service Teams. No specific Policy document.	6	0	-	7	0	-
Value-chain partners	Yes www.xproindia.com/Codes/XILBusinessResponsibilityPolicy.pdf	0	0	-	0	0	-
Others (please specify)	Yes (grievance, suggestions, etc. received at the e-mail ID given is addressed by the Management)	0	0	-	0	0	-

Xpro India Limited : Annual Report 2022/23

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

The Company has built trust and confidence in its stakeholders through its commitment to compliance, disclosure, integrity and responsible & ethical business conduct. The Company is environmentally conscious and is committed to ensure compliance with relevant standards of environment, health and safety. Creating sustainable products is a part of the Company's endeavors towards responsible product leadership; the Company has in place necessary design, quality and inspection systems to ensure that goods and services provided are safe and sustainable throughout their life cycle.

S.No.	Material Issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Occupational Health and Safety (OHS) and Environment Safety	Risk and Opportunity	Risk: Inherently associated with business activities and processes. Opportunity: Strong internal controls and governance mechanism are in place at each of the units. This improves the employee/worker safety and overall health wellbeing, leading to improved productivity.	The assessment of health and environmental risks are done on a continuous basis. Various methods to mitigate risk are done from time to time. A grievance redressal mechanism is in place. At each location proper remedial action are planned and implemented.	Risk: Negative Opportunity: Positive
2	Social responsibility towards society	Opportunity	Returning to society has been ingrained in the Company's philosophy. The Company has a formalized process of earmarking a portion of annual profits to support projects fulfilling a social obligation. 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 adopts a policy of supporting external bodies including relevant bodies, NGOs or Government Relief Funds selected by the CSR Committee, including through financial contribution to them. Activities supported during the current year include promoting education/ special education, health-care, employment enhancing vocational skills especially among children, women and the differently abled.	-	Positive
3	Energy Management	Opportunity	Direct cost savings and resource efficiency improvement associated with Energy management; Increasing the percentage of renewable power is an important tool to reduce cost and emissions.	-	Positive
4	Supply Chain Management	Risk and Opportunity	Risk: Supply chain disruptions/high dependency on few suppliers/ vendors can adversely affect procurement. Opportunity: Relationship management to ensure smooth undisturbed supplies.	The Company enjoys strong relationship with multiple suppliers built over many years. Continuous interaction ensures sustained relationship in the vendor-customer relationship	Positive

Xpro India Limited : Annual Report 2022/23

S.No.	Material Issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Employee retention	Opportunity and Risk	Putting in place necessary measures to hiring the right people, positioning them correctly, training and retaining them, while encouraging them to develop and flourish are critical to building a high-performance culture and provides a good opportunity. Poaching of trained man-power is a risk.	Strive to provide employment experience in which employees feel secure, and appreciated, working in an atmosphere they can contribute positively.	Opportunity: Positive Risk: Negative
6	Climate	Risk	Extreme environmental changes can cause disruption to supply chain, and the operations. Possibility also of physical damage.	Identifying and evaluating climate change risks as part of routine diligence procedures enabling taking of necessary mitigating steps.	Negative
7	Reduction in emission of carbon and other hazardous gases	Opportunity	Opportunity: Geographical location of sheet and liner units of the Company near customer units (at Greater Noida and Ranjangaon) results in reduced transportation, thereby reducing emission of carbon and other hazardous gases in the environment.	-	Positive
8	Risk Management and Cyber Security	Risk	Inadequacy of risk mapping and management system adversely affects the overall business operations and could impact supplies and relationship with customers.	Risk Management Committee constituted by the Board ensures that timely actions are taken on actual and/or potential threats, so as to mitigate the adverse effects.	Negative
9	Branding	Opportunity	Company enjoys a strong brand equity and is well recognised in its business segments on the strength of its product and service quality. Opportunity for market enhancement.	-	Positive
10	Customer Education and Awareness	Opportunity	Providing direct and indirect customers with proper guidance on developments, usage of products and safety standards and guidelines enhances product acceptability and market share.	-	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

P1	Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Xpro India Limited : Annual Report 2022/23

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	http://www.xproindia.com/Ethics_pol.html								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>Integrated Management Systems (IMS) covering Quality, Environmental, Energy Policies and Safety & Health standards at Biax division, Barjora have been duly certified under ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018.</p> <p>Biax Barjora unit manufacturing dielectric films is also certified under IATF 16949:2016 which is mandatory for organizations manufacturing parts for the automotive industry. Quality Management Systems at Coex division manufacturing unit at Greater Noida and Ranjangaon are certified under relevant ISO 9001:2015 standards. The Environmental Management Systems at Ranjangaon and Greater Noida units are duly certified under ISO 14001:2015 standards.</p> <p>Energy management and conservation systems at Barjora Unit and Greater Noida unit have been accredited under ISO 50001:2018.</p> <p>Manufacturing units also adopt and conform to specialized quality systems and methods as may be required by major customers.</p> <p>Coex division - Greater Noida Unit has received a Bronze rating under the Green Co initiative reflecting adoption of a life cycle approach towards ecological sustainability and steps taken to make products, services and operations greener.</p>								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	-								
6	Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	-								
	For 5 & 6: Xpro is committed to develop a strategy to move forward towards low carbon emissions and monitoring and evaluation of ESG related challenges, targets and achievements. A mechanism to identify probable risks and opportunities faced in the path of being a socially, environmentally aware organization are under development. Meanwhile, towards mitigating risks, the Company is committed towards ESG norms and protection of environment, reduction in carbon emission, utilization of CSR fund through various activities. Steps have been initiated to replace 50% of energy consumption at Coex, Ranjangaon unit with Solar-based energy and to use coal-based methane gas in place of conventional fuels at Biax, Barjora .									
Governance, Leadership and Oversight										
7	Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements	<p>At Xpro, 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. We adhere to all Environmental laws as applicable at each location and are responding effectively to the changing regulations around plastic waste management.</p> <p>We further ensure that sustainability principles are embedded in our business strategies as well as in our operating plans. Our ESG strategy focuses on climate change, social risk management, ethical procurement practices, employment practices, our customers, the entire value-chain, community, transparency and good governance.</p> <p>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 high performance culture, built on trust and mutual respect.</p>								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies	Shri C Bhaskar, Managing director and Chief Executive Officer, along with Sri Kamal Kishor Sewoda, Company Secretary								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details	The Corporate Social Responsibility Committee of the Board is currently responsible for decision making on ESG related matters. Recommendations from the CSR Committee are considered by the Board of Directors								

Xpro India Limited : Annual Report 2022/23

10 Details of Review of NGRBCs by your company																			
Subject for Review		Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/ Quarterly /Any other - please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action		All the policies of the Company are approved by the Board and are reviewed periodically on a need basis. The Company complies with the regulations extant and principles as are applicable																	
Compliance with Statutory requirements of relevance to the principles, and rectification of any Non compliances																			
11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.																			
No																			
12 If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:																			
Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9									
The entity does not consider the principles material to its business (Yes/No)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.								
It is planned to be done in the next financial year (Yes/No)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.								
Any other reason (please specify)		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.								
N.A. : Not Applicable																			

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	The Board of Directors and KMPs are regularly trained and apprised with all the Business Development, regulations, economy, environmental, social and governance parameters during Board and Committee meetings		100 %
Key Managerial Personnel			
Employees other than BoD and KMPs	Employees of the Company undergo various training programmes through the year. Programmes during the year included: Risk & Change Management; Automotive QMS; Implementation of IATF 16949 : 2016 and ISO 9001:2015; Managing of Ageing Plants and Retro Fitting; HRD; Process Failure Mode & Effect Analysis (PFMEA); Fault Free Analysis for Quality Management; Environment Laws; Production Processing; Basic Winding Technique; GST, ESG and Communication Skills.		100 %
Workers			

Xpro India Limited : Annual Report 2022/23

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

MONETARY					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred ? (Yes/No)
Penalty / Fine	-	N.A.	N.A.	N.A.	N.A.
Settlement	-	N.A.	N.A.	N.A.	N.A.
Compounding fee	-	N.A.	N.A.	N.A.	N.A.
NON-MONETARY					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions		Brief of the Case	Has an appeal been preferred ? (Yes/No)
Imprisonment	-	N.A.		N.A.	N.A.
Punishment	-	N.A.		N.A.	N.A.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
N.A.	N.A.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company has an anti-fraud policy and Business responsibility policy. The policies have been formulated in alignment with the Xpro India's Code of Conduct and various existing policies governing integrity.

The policy emphasizes Xpro India's commitment towards zero tolerance for bribery and corrupt practices. The policy facilitates ethical decision making and governance. It reinforces Xpro India's culture of transparency in all its dealings. This policy applies to all relevant stakeholders and people associated with Xpro and who may be acting on behalf of Xpro. It sets out responsible conduct that must be always adhered to.

The policy is placed on the Company's website at, http://www.xproindia.com/Ethics_pol.html.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	N.A.	Nil	N.A.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	N.A.	Nil	N.A.

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators / law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

Xpro India Limited : Annual Report 2022/23

Leadership Indicators

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

Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
1	REACH	10

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

All Directors are obligated to disclose to the Board their nature/conflict of interest during their onboarding and any subsequent modifications have to be intimated timely. Transactions or any matters concerned with the board members must be authorized by the audit committee. In such instances, the interested directors abstain themselves from the meeting. We also have a Policy on 'Related Party Transactions' and a 'Code of Conduct' in place, both of which apply to our board members.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe;

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

	Current Financial Year (INR lacs)	Previous Financial Year (INR lacs)	Details of improvements in environmental and social impacts
R&D	-	-	<i>Note: R&D expenditure is not separately quantified and carried out as part of manufacturing set-up</i>
Capex	27.90	4.80	System for replacing furnace oil with coal-based methane gas; treatment of waste water, installation of solar panels also undertaken.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
b. If yes, what percentage of inputs were sourced sustainably?

No. Our supplier network consists of global key suppliers and a large network of local partners close to our manufacturing units. Responsible sourcing is based on close cooperation, as well as aligning with third-party verifications and standards. As a responsible company we want to ensure that our suppliers meet the environmental, social and governance expectations we set out for ourselves.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

- a) The Company recycles substantial share of plastic waste generated from its manufacturing operations, as per the regulatory and standard norms of the State/Country;
- b) For E-waste, an awareness program was organized with the help of local NGO/GNIDA, in the matter of handling segregating, storing different types of waste and their disposal. The e-waste is being disposed of to the authorized Waste Management Agency.
- c) Identification of hazardous materials like diesel oil, hydraulic oils and water treatment chemicals is done at source. The Company tied-up with authorized waste management agencies for the disposal of the hazardous waste.
- d) Scrap is converted to reprocessed granules and either re-used for specific alternate applications or sold as reprocessed granules;

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/Service	% of Total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No) If Yes, provide the web-link
The Company does not currently perform Life Cycle Assessments. However, the Company has 3 manufacturing locations all certified under ISO 14001:2015 standards. All these locations carry out its environmental risk assessment w.r.t. life cycle perspective as per the requirements of the EMS standard.					

Xpro India Limited : Annual Report 2022/23

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk / concern	Action taken
No significant social or environmental concerns or risk arose from the risk assessments carried out.		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Plastic waste	Neg.	Neg.

Note: Scrap is converted to reprocessed granules and either reused in manufacturing for specific alternate applications or sold as reprocessed granules;

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
E-waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Hazardous waste (Used Oil)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Currently, the Company does not have a mechanism or process to collect back products at the end of the product life cycle. Once LCA strategy has been established, these values will be monitored.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each category

Not applicable

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
PERMANENT EMPLOYEES											
Male	199	199	100	199	100	0	0	0	0	0	0
Female	4	4	100	4	100	4	100	0	0	0	0
Total	203	203	100	203	100	4	1.97	0	0	0	0
OTHER THAN PERMANENT EMPLOYEES											
Male	35	32	91.43	33	94.29	0	0	0	0	0	0
Female	4	4	100	4	100	4	100	0	0	0	0
Total	39	36	92.31	37	94.87	4	10.26	0	0	0	0

Xpro India Limited : Annual Report 2022/23

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
PERMANENT WORKERS											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0
OTHER THAN PERMANENT WORKERS											
Male	330	330	100	330	100	0	0	0	0	0	0
Female	4	4	100	4	100	4	100	0	0	0	0
Total	334	334	100	334	100	4	1.19	0	0	0	0

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

Benefits	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
	No. of employees covered as a percentage of total employees	No. of workers covered as a Percentage of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a Percentage of total employees	No. of workers covered as a Percentage of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	As per ESIC Act	As per ESIC Act	Y	As per ESIC Act	As per ESIC Act	Y
Others - Superannuation	36.95	0	Y	38.09	0	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Yes, the premises/offices of the Company are accessible to differently abled visitors; a wheelchair made is available if so required.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Xpro is an equal opportunity employer, and this Policy is applicable to all plants and offices. The principles are embodied in the Code of Conduct and the Business Responsibility Policy available on-line at http://www.xproindia.com/Ethics_pol.html.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

No parental leaves were availed by Male employees or workers during the reporting FY. However, female employees can take maternity leave when required; they shall be retained post their return; there were no instances of paternal leave during the year.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. Xpro adopts an open speak up culture where employees are encouraged to reach out to their managers or managers' manager or the human resources department or senior management, or the audit committee chairman to report their grievances. In addition, there are various forums where they may seek help depending on the nature of their grievance. For example, if the grievance is in the nature of sexual harassment, the Company has an internal committee that handles complaints of such nature.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

Xpro India Limited : Annual Report 2022/23

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

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Total Permanent Employees						
Male	199	36	18.10	206	36	17.56
Female	4	0	0	4	0	0
Total Permanent Workers						
Male	0	0	0	51	41	78.85
Female	0	0	0	0	0	0

8. Details of training given to permanent & other than permanent employees and workers

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (E / F)
Employees										
Male	234	204	87.18	172	73.50	226	163	72.12	153	67.70
Female	8	6	75.00	5	62.50	4	1	25.00	1	25.00
Total	242	210	86.78	177	73.14	230	164	71.30	154	66.96
Workers										
Male	330	205	62.12	37	11.21	349	212	60.74	2	0.57
Female	4	4	100	4	100	4	4	100	0	0
Total	334	209	62.57	41	12.28	353	216	61.19	2	0.57

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

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	199	199	100	206	206	100
Female	4	4	100	4	4	100
Total	203	203	100	210	210	100
Workers						
Male	0	0	0	51	51	100
Female	0	0	0	0	0	0
Total	0	0	0	51	51	100

10. Health and Safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, we have a occupational health and safety management system that covers all our permanent and contractual employees and workers. Units have obtained ISO 45001:2018 certification covering, inter alia, occupational Health and Safety Management system. We provide 100% safety training to all our employees. Monthly safety meeting is conducted every month.

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

The manufacturing units undertake hazard identification and risk assessment programs each year to ensure mitigation of risks on the respective sites. The risk assessments are done for both routine as well as non-routine activities. Additionally, learnings and input on implementation of controls on specific risks are also taken from the other locations and teams and implemented as applicable. Training is conducted for employees periodically on the procedure and process to be followed for risk assessments so as to ensure the accuracy of the same. The risk assessments are driven by the site leadership team and the action plan to mitigate risks is monitored.

Xpro India Limited : Annual Report 2022/23

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

Employees and workers are encouraged to report all risks and work related hazards. They can remove themselves from assigned risky tasks.

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

Yes. At all plants and offices, employees are provided with facility for reimbursement of Medclaim/Medical expenses/ESI as per the rules applicable.

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

Safety Incident/Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

Note: No relevant incident reported

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The unit head of each location and their leadership team are in charge of the health and safety management program. Proactive measures, such as reporting and closing near-miss incidents, identifying opportunities for safety improvement, audits, involving employees and workers, important awareness campaigns on crucial subjects including safety are implemented. Other measures taken include Provision of PPEs (Personal Protective Equipment), Complete Fire Hydrant System with Fire extinguishers are installed, Availability of safe Emergency assembly area, Easy accessibility of utilities like Drinking water facilities, proper sanitary system etc., CCTV Cameras are installed for enhanced physical security, Safety and Health related SOPs are defined and communicated to all, Health and Safety trainings & mock drills, and 5S & Safety Audits.

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

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	No complaints received from employees and workers on working conditions and health & safety.					
Health & Safety						

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Working conditions	100
Health & Safety	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The risks or concerns identified in ISO 45001 through HIRA have been addressed. Every safety-related occurrence undergoes a root cause analysis, and necessary corrective and preventive actions are implemented. Effectiveness of the corrective actions is also monitored.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes. Compensatory package, through accident insurance and life cover under Gratuity scheme of LIC, has been extended to all company permanent (company on-roll) employees and workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

Respective units conduct due-diligence to ensure that statutory dues are paid by relevant value chain partners. Evidence regarding actual transfer of dues is collected and timely payment of dues is ensured. Our internal audits also check on this aspect on a sample basis and if any concern is identified, the same is addressed immediately.

Xpro India Limited : Annual Report 2022/23

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

We do not currently have any transition assistance program for retired or terminated employees. Some employees, at management discretion, are considered for post-retirement employment in advisory capacity.

5. Details on assessment of value chain partners:

We do not have any assessments for our value chain partners yet, however, we understand the importance of this subject and are aiming to initiate such programs in the coming years.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners

Not applicable as we do not have any exhaustive assessments for our value chain partners yet. However, no significant risks/concerns have been noted on health and safety practices and working conditions of value chain partners.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Any individual, group of people, etc., who are impacted due to business operations and projects of the Company are the stakeholders. Any of such individual and group of people that add value for business and have greater impact on the business are the key stakeholders for the Company. The key stakeholders inter alia include employees, shareholders/investors, customers, raw material suppliers, vendors, banks, regulators and government agencies. The process for identification of such key stakeholders is largely Qualitative in nature. It is conducted in consultation with and feedback from different departments along with Senior Management and Board.

2. List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Physical and virtual meetings, e-mails, notices, SOPs, employment engagement surveys, appraisals, rewards and recognition, and other communication mechanisms	Daily	Performance and talent management, build a safe and inclusive working culture, communicate vision and strategy of the company, seek feedback, address grievances.
Shareholders	No	Website, financial reports, e-mails, newspaper, advertisement, stock exchanges, notices, investor calls, and general meetings	Quarterly and as and when need arises	Communicate financial results and material occurrences; addressing grievances, if any
Investors	No	Website, financial reports, Stock Exchange, investor communications via emails, and grievance redressal mechanisms	Quarterly, half yearly, annually, event based	Communicate financial results/material occurrences
Banks	No	Personal meetings, e-mail, website, Postal communication, facility visits	Need based	To Share our vision and strategy, discuss financial performance, financing needs for operations and growth, and banking facilities

Contd.

Xpro India Limited : Annual Report 2022/23

Stakeholder Group (Contd..)	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Physical visits, Multiple Channel - physical and digital	Frequent and need based	To understand customer's vision and strategy, value proposition, customer expectations, improve business, participation in tenders, commercial negotiations, explore R&D opportunities, ensure prompt service to the customers, seeking feedback, addressing concerns or grievances if any
Suppliers	No	Physical and virtual meetings, e-mail, bidding tools, website, factory visits	Frequent and need based	Share our vision and strategy, due diligence of supplier to understand the supplier's footprint, capability, credibility, value system, sustainability capability, bidding process, commercial discussion and negotiation, ensure business continuity; Purchase of Machines, Plastics Polymers, Consumables, Packing Materials etc.
Government, regulatory authorities	No	Personal meetings, industry associations, E-mail, website, postal communication, panel meetings, conferences, facility visits.	Need based	Advocacy, Compliance assurance, thought leadership, representation on policy matters
Communities	Yes	Through CSR initiatives or through NGOs; Personal meetings, industry associations, E-mail, website	Frequent and need based	To understand the needs of the community, and support on social needs
Research Analyst	No	Email/ con-calls, meetings, Video - conferences	Frequent and need based	Interaction on explaining the Quarterly/half yearly /yearly Results and Issuance of Press Releases
Academia	No	Email/ con-calls, meetings, Video - conferences	Need based	Talent acquisition and talent management, research and development activities, nurture talent and afford opportunities

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Xpro recognizes the importance of discussion of ESG topics between our stakeholders and the Board (or Committees thereof), and provides several platforms for consultation including regular meetings of executive directors and senior management with Stakeholders. Regular engagement between stakeholders and Board enables it to understand the requirement and expectations of the Stakeholders on economic, environmental, and social parameters.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Stakeholder consultation is used to support the identification and management of environmental and social performance of the Company; it is considered an important part of our agenda while communicating with the different key stakeholders of our company, which highly influences our policies and procedures to ensure our business operations are in alignment with the company's vision, mission and stakeholders' expectations.

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

As part of our CSR initiatives, we engage with and support, including financially, various vulnerable/marginalized groups and the social initiatives are aimed at bringing a positive impact on the lives of the people from said stakeholder groups.

Xpro India Limited : Annual Report 2022/23

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	203	65	32.02	210	0	0
Other than permanent	39	0	0	20	0	0
Total Employees	242	65	26.86	230	0	0
Workers						
Permanent	0	0	0	51	0	0
Other than permanent	334	132	39.52	302	0	0
Total Workers	334	132	39.52	353	0	0

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	199	0	0	199	100	206	0	0	206	100
Female	4	0	0	4	100	4	0	0	4	100
Other than permanent										
Male	35	0	0	35	100	20	20	100	0	0
Female	4	0	0	4	100	0	0	0	0	0
Workers										
Permanent										
Male	0	0	0	0	0	51	0	0	51	100
Female	0	0	0	0	0	0	0	0	0	0
Other than permanent										
Male	330	270	81.81	60	18.19	298	238	79.86	60	20.13
Female	4	4	100	0	0	4	4	0	0	0

3. Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (INR)	Number	Median remuneration/ salary/ wages of respective category (INR)
Board of Directors (BoD)	8	9,15,000	2	6,00,000
Key Managerial Personnel	4	1,06,39,320	Nil	-
Employees other than BoD and KMP	195	5,16,356	4	8,01,870
Workers	Nil	-	Nil	-

Xpro India Limited : Annual Report 2022/23

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes. The Head of each Unit respectively is responsible for addressing human right impacts or issues arising in the Unit.

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

The Company's Code of Conduct, and other relevant policies, set out the standards of ethical behaviour for all employees and members of the management, as well as all officers and directors (including independent directors). The Code and Policies are designed to provide a broad and clear understanding of the minimum conduct standards expected of every employee and the code of conduct and other policies provide guidelines emphasizing employee participation, freedom, gender equality and a harassment-free and discrimination-free workplace. The Company takes a rigid stand against child labour, forced labour, involuntary labour and discriminatory employment, and any type of behaviour that violates basic human rights principles is not tolerated and is subject to disciplinary actions as per law.

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

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Filed Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Forced Labour/Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company's Code of Conduct, the Whistle Blower Policy and other relevant policies, which are applicable to every employee prescribe zero tolerance to retaliation and strict action against any person indulging in retaliatory practices. Identity and information provided by an informant is kept confidential to ensure necessary safety and protection to a complainant.

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

Yes. Various elements of human rights aspects such as issues related to child labor and forced labor, are part of the business agreements and contracts.

9. Assessments of the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – Statutory Payments	100

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above

All relevant laws and guidelines are strictly followed by us and no instances of material deviations have been determined.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

No such modifications have been implemented as we had no cases that required modification

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

No such exercise has been conducted by the Company in this reporting period.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, most of our facilities are accessible to differently abled visitors.

Xpro India Limited : Annual Report 2022/23

4. Details on assessments of value chain partners:

	% of your value chain partners (by value of business done with such partners) that were assessed
Child labour	No such assessment has been carried out in this reporting year. The Company is planning to introduce such assessments in future years, and the status will be updated in subsequent BRSRs.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – Statutory Payments	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year) (megajoules)	FY 2021-22 (Previous Financial Year) (megajoules)
Total electricity consumption (A)	14,52,89,703	14,98,11,798
Total fuel consumption (B)	2,45,42,316	2,42,07,733
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	16,98,32,019	17,40,19,531
Energy intensity per rupee of turnover (<i>Total energy consumption / turnover in rupees</i>) (MJ/INR of sales turnover)	0.0332	0.0369
Energy intensity (<i>optional</i>) - the relevant metric may be selected by the entity (MJ/MT)	6097	5897

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The Coex, Ranjangaon Unit has been assessed by Mitcoin consultancy and Engineering Limited and Biax unit has been certified by RWTUV for ISO 50001:2018 energy management system.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable - None of the sites are covered under the PAT scheme

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	16,767	16,117
(ii) Groundwater	2,080	1,539
(iii) Third party water	14	823
(iv) Seawater / desalinated water	0	0
(v) Others	37,440	32,885
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	56,301	51,364
Total volume of water consumption (in kilolitres)	56,301	51,364
Water intensity per rupee of turnover (<i>Water consumed / turnover</i>) (kilolitre/INR)	0.000011	0.000011
Water intensity (<i>optional</i>) - the relevant metric may be selected by the entity (kilolitre/MT)	2.021	1.741

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

Xpro India Limited : Annual Report 2022/23

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

Xpro India Limited has implemented zero liquid discharge in all its units. Treatment up to tertiary level is invariably carried out depending on the water parameters in the respective units, which then is being reused for Gardening Purpose.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	Mg/Nm ²	95.5	96.9
SOx	Mg/Nm ²	169.7	171.3
Particulate matter (PM)	mg / Nm ³	82.1	82.7
Persistent organic pollutants (POP)		0	0
Volatile organic compounds (VOC)	(Mts / Sec)	0	0
Hazardous air pollutants (HAP)		0	0

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The pollution related compliance evaluation is done by the State Pollution Control Board (SPCB) authorized external agencies on a periodic basis and Xpro India Limited is in compliance with all the norms and requirements.

6. Please provide details of greenhouse gas emissions (Scope 1 and Scope2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,810.05	1,782.25
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	31,883.02	32,875.37
Total Scope 1 and Scope 2 emissions	Metric tonnes of CO2 equivalent	33,693.07	34,657.61
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent/INR	6.59 x 10 ⁻⁶	7.35 x 10 ⁻⁶
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent/MT	1.21	1.17

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details

Yes. The company is in the process of entering into a JV with Tata Power to receive electricity supply through Renewable Solar Energy from Open excess system, at its Coex Division - Ranjangaon Unit, to reduce its GHG Emissions. The process will be completed in 2024-25.

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	9828.11	10005.12
E-waste (B)	250	150.01
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	27	381.09
Battery waste (E)		0.09
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	3.565	3.35
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	9194.75	9551.05
Total (A+B + C + D + E + F + G + H)	19303.62	20090.71

Xpro India Limited : Annual Report 2022/23

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	788.12	777.44
(ii) Re-used	0	0
(iii) Other recovery operations	9167.00	9531.00
Total	9955.12	10308.44
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
Waste Incinerated	0	0
Waste in landfill	0	0
Other disposal	9348.50	9782.28
Total	9348.50	9782.28

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The company closely monitors the waste generated in each of its units and has a strong program to reduce and then treat the waste generated in an environmentally friendly and legally compliant manner in line with the latest requirements of the pollution control boards and the ISO system that we have been following. All hazardous and non-hazardous wastes are tracked, reported, and analyzed. Non-hazardous waste is reused internally and hazardous waste is disposed off through authorized vendor(s). In certain Units we have used 100% recycling of polymers thus paving the way for resource efficiency.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable - No such project undertaken					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable - All relevant laws and regulations complied with				

Xpro India Limited : Annual Report 2022/23

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D) (MJ)	14,52,89,703	14,98,11,798
Total fuel consumption (E) (MJ)	2,45,42,316	2,42,07,733
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F) (MJ)	16,98,32,019	17,40,19,532

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, Ranjangaon Unit has been assessed by Mitcoin Consultancy and Engineering Limited.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0
Waste water generated in unit is treated and used for landscaping purposes.		

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Data regarding water usage and management are from internal assessments and no external evaluation has been carried out.

3. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

None of the facilities or the manufacturing locations of Xpro are located in the areas of water stress, hence this disclosure requirement is not applicable.

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

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)			
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			
Not calculated for these periods; and no independent assessment carried out.			

Xpro India Limited : Annual Report 2022/23

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:

None of the facilities or the manufacturing locations of Xpro are located in any of the Ecologically sensitive areas.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

The Company continuously strives to improve resource efficiency. As a part of its renewable energy procurement policy, steps are being taken to purchase renewable electricity, wherever possible, and switch from conventional fuels to Coal-based Methane Gas at one location.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

The Company has a robust disaster management plan as a part of its risk management framework. Company assets are insured against natural risks, like fire, flood, earthquakes, etc. Fire Hydrants have been installed at all manufacturing locations. Other apparatus like extinguishers (chemical, foam etc.) have been placed at sensitive locations. Regular fire safety drills are carried out. First aid training is given to watch and ward staff and safety personnel. Professional Risks Assessing Advisors are retained to conduct periodical audit/review and suggest risks improvement measures from time to time. As outlined in the Business Responsibility policy, the Company shall develop Environment Management Systems and contingency plans and processes that will help it in preventing, mitigating and controlling environmental damages and disasters and the Company shall strive to report its environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner. (<http://www.xproindia.com/Codes/XILBusinessResponsibilityPolicy.pdf>)

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Value chain partners have not been assessed for environmental impact. This process will be initiated in coming years.

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

Value chain partners have not been assessed for environmental impact. This process will be initiated in coming years.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.
b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	Organisation of Plastic Processors of India (OPPI)	National
3	Plastindia Foundation (PIF)	National
4	Electronic Industries Association of India (ELCINA)	National
5	Plastics Export Promotion Council (Plexconcil)	National
6	All India Plastics Manufacturing Association (AIPMA)	National
7	Paschimanchal Chamber of Industries	State
8	Ranjangaon Industries Association	State
9	Association of Greater Noida Industries	State
10	Damodar Valley Power Consumers Association	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

No corrective action taken or underway on any issue based on adverse orders from regulatory authorities as there were no cases related to anti-competitive conduct.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

As the leading manufacturer in its core business segments, Xpro interacts, engages and makes recommendations/representations before Government bodies, regulators, legislative bodies, chambers and associations for advancement and improvement of business. Company representatives upon invitation, participate and play active role on associations constituted for development of relevant industry segments.

Xpro India Limited : Annual Report 2022/23

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

No SIA has been undertaken during the reporting period and hence this section is not applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

No R&R has been undertaken during the reporting period and hence this section is not applicable

3. Describe the mechanisms to receive and redress grievances of the community.

Community stakeholders may use any of the available channels of communication to raise grievances, if any. Concerns received from community stakeholders are immediately responded on and resolved satisfactorily. Complaints received from the said stakeholders are placed before the respective Unit Heads or Board Committees, which are responsible for monitoring and reviewing the mitigation of any such concerns raised.

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/small producers	9.97	4.14
Sourced directly from within the district and neighbouring districts	Neg.	Neg.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable as the SIA has not been a requirement in any of the locations in the reporting year	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
None of the CSR projects undertaken/supported are in the aspirational districts, and hence this disclosure is not applicable			

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

No such preferential procurement policy exists as of now.

- b. From which marginalized/vulnerable groups do you procure?

Not applicable

- c. What percentage of total procurement (by value) does it constitute ?

Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
We do not have any Intellectual Property Rights owned or acquired by us based on Traditional Knowledge				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:

Name of Authority	Brief of the Case	Corrective action taken
Not applicable as per statement above		

6. Details of beneficiaries of CSR Projects:

Please refer to Annual Report on CSR activities for the Financial Year 2022-23 annexed to the Directors' Report

Xpro India Limited : Annual Report 2022/23

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has set up a robust system to resolve Customer complaints. Complaints received by the marketing team are sent to quality team and technical support teams who check it for genuineness prior to detailed analysis. If so required, the technical team would visit the customer for better understanding of the problem and to ensure proper root cause analysis, corrective action and preventive action. If so required, major raw material input supplier is involved in the analysis. Feedback is shared with the Production and Marketing teams. Steps are taken in SOP to ensure no repeats. Service-related complaints, if any, are dealt with directly by Marketing and Logistics teams.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Our products are all tailor-made industrial intermediates supplied, generally, to large manufacturing organisation customers, who in turn use our products in their end-products, after further processing at their end. It is thus their discretion to include information about environmental and social parameters, safe and responsible usage, and recycling or disposal methods as per the nature of their end-product.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other		0	-		0	-

4. Details of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	-
Forced recalls	Nil	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

Cyber security and risks related to data privacy are currently covered under the Risk Management Policy; an exclusive IT Policy which would also include Cyber security and risks related to data privacy is under preparation.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No such event reported for the financial year and hence not applicable.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The primary source of information on our products and services would be our website which can be accessed on <http://www.xproindia.com>.

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

Our products are developed and manufactured for industrial customers based on their product specifications and requirements; we demonstrate usage and safety factors before the products are used. Any questions or concerns are addressed by our technical team as and when they arise.

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

Xpro products and services do not by themselves fall in the category of essential services. However, we have been proactive in notifying customers of any possibility of delays/disruption/discontinuation arising from man-made or natural disasters.

Xpro India Limited : Annual Report 2022/23

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company follows all applicable product labelling requirements, and displays pertinent information as required by applicable laws.

Customer satisfaction survey and feedback is a continuous process with Marketing and Technical Support teams in constant touch with the customers. Senior executives also maintain regular one to one contact with key customers.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact: No instances during the year

b. Percentage of data breaches involving personally identifiable information of customers: No instances during the year

Xpro India Limited : Annual Report 2022/23

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
- Machine level energy consumption monitoring for control
- Process cooling water system rationalization and use of closed loop chilling systems
- Use of variable frequency drives, direct drives and energy efficient motors to minimize mechanical losses
- Use of natural lighting, wherever feasible; Use of energy efficient lighting and Auto on-off control
- Use of natural turbo-vents
- System validation and optimization of blower speeds in AHU units
- Central water treatment plant and regeneration of resins and centralised compressed air systems
- Certification under ISO 50001:2018 of Energy management systems (at Barjora and Greater Noida Units)
- ii) The steps taken by the Company for utilizing alternate sources of energy:
- Use of Solar energy sources for general lighting applications;
- Setting up of a SPV together with Tata Power Group for sourcing solar power through Open Access for Ranjangaon Unit under Group Captive Scheme;
- 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' and 'Atmanirbhar' 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: Carried out in-house as part of unit manufacturing set-up and not separately quantified;

C. FOREIGN EXCHANGE EARNINGS & OUTGO

	<u>2022-2023</u>	INR <u>2021-2022</u>
Total foreign exchange used	70,10,11,673	63,35,43,598
Total foreign exchange earned	17,45,51,708	22,62,25,982

For and on behalf of the Board

New Delhi
May 22, 2023

Sidharth Birla
Chairman
(DIN: 00004213)

Xpro India Limited : Annual Report 2022/23

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

(INR lacs)

1.	Sl. No.	1	
2.	Name of the subsidiary	Xpro Global Limited	
3.	Reporting period for the subsidiary concerned	Year ended March 31, 2023	Year ended March 31, 2022
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
5.	Share capital	52.50	52.50
6.	Reserves & surplus	(50.32)	(50.38)
7.	Total assets	2.80	5.84
8.	Total Liabilities	0.62	3.72
9.	Investments	-	-
10.	Turnover	0.83	0.96
11.	Profit before taxation	0.01	0.11
12.	Provision for taxation	(0.05)	-
13.	Profit after taxation	0.06	0.11
14.	Proposed Dividend	Nil	Nil
15.	% of shareholding	100	100

Notes:

- Names of subsidiaries which are yet to commence operations: None
- Names of subsidiaries which have been liquidated or sold during the year: None

For and on behalf of the Board

Sidharth Birla
Chairman
(DIN: 00004213)

Kamal Kishor Sewoda
Company Secretary

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

C. Bhaskar
Managing Director &
Chief Executive Officer
(DIN: 00003343)

New Delhi
May 22, 2023

Xpro India Limited : Annual Report 2022/23

Annexure to the Directors' Report

SECRETARIAL AUDIT REPORT

FORM NO. MR - 3

For the Financial Year ended March 31, 2023

*[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") (CIN: L25209WB1997PLC085972) having Registered office at Barjora - Mejia Road, P.O - Ghutgoria, Tehsil: Barjora, Dist.: Bankura 722 202, West Bengal. 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.

The Company's management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

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, 2023 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, 2023, to the extent applicable, 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;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 (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 Non-convertible Securities) Regulations, 2021 (There were no events/instances during the Audit Period which attract the applicability of the Regulations);

Xpro India Limited : Annual Report 2022/23

- (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, 2021 (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 of India Limited

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 during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.
- 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.

I further report that during the period under review pursuant to shareholders' approval dated June 24, 2022 the Board of Directors of the Company at its meeting held on July 6, 2022 has issued and allotted 59,06,744 Bonus equity shares in the ratio of one equity share for every two held.

I further report that during the period under review upon exercise of option by two warrant holders and consequent receipt of the balance consideration from them, as per the terms of issue of Warrants, the Board of Directors of the Company has allotted 3,28,000 fully paid equity shares of Rs. 10 each (at a premium of Rs. 752 per share). Additionally, as per the terms of the issue of warrants the Board of Directors of the Company has also allotted 1,64,000 equity shares to the above warrant holders as bonus shares which were kept in reserve for issue and allotment upon exercise of option to convert the Warrants into fully paid-up Equity Shares of the Company.

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

Place: Kolkata
Date: May 9, 2023

Girish Bhatia
Company Secretary in practice
FCS No. 3295 CP No. 13792
Peer Review: 2011/2022
UDIN: F003295E000272927

Xpro India Limited : Annual Report 2022/23

“Annexure A”

(To the Secretarial Audit Report of M/s Xpro India Limited for the financial year ended March 31, 2023 - Non-Qualified)

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

My Secretarial Audit Report for the financial year ended March 31, 2023 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 my 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.

Place: Kolkata
Date: May 9, 2023

Girish Bhatia
Company Secretary in practice
FCS No. 3295 CP No. 13792
Peer Review: 2011/2022
UDIN: F003295E000272927

Xpro India Limited : Annual Report 2022/23

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 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including 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 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the 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
<p>1) Revenue Recognition</p> <p>Refer note 4(l) of Summary of significant accounting policies and other explanatory information and the note 47 of the standalone financial statements of the Company for the year ended 31 March 2023.</p> <p>The Revenues of the Company consists primarily of sale of products and is recognized when control of products being sold is transferred to the customer and there is no unfulfilled obligation.</p> <p>Revenue is measured at fair value of the consideration received or receivable and is accounted for net of rebates and trade discounts.</p> <p>The Company focuses on revenue as a key performance measure. Considering the materiality of amounts involved, the same has been considered as a key audit matter for the current year's audit.</p>	<p>Our key audit procedures included, but were not limited to, the following procedures:</p> <ol style="list-style-type: none">a) Assessed the appropriateness of the Company's revenue recognition accounting policies in accordance with Ind AS 115 - Revenue from contracts with customers;b) Tested the design and operating effectiveness of the control environment for recognition of revenue;c) Performed analytical procedures on revenue;d) Tested, on a sample basis, sales transactions to the underlying supporting documentation which includes goods dispatch notes and shipping documents;

Xpro India Limited : Annual Report 2022/23

Key audit matter	How our audit addressed the key audit matter
	<p>e) Reviewed, on a sample basis, sales agreements and the underlying contractual terms related to delivery of goods and rebates to assess the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards;</p> <p>f) Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns;</p> <p>g) Ensured the adequacy and appropriateness of disclosures made in the standalone financial statements in accordance with the requirements of Ind AS 115</p>

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

6. The 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 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 are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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 standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements

Xpro India Limited : Annual Report 2022/23

can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 Board of Directors' 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
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, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. Further to our comments in Annexure 1, 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;

Xpro India Limited : Annual Report 2022/23

- 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 2023 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 Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 wherein we have expressed an 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 40 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
 - 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 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 52(l) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 52(m) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (iv)(a) and (iv)(b) above contain any material misstatement.
 - v. The final dividend paid by the Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend and as stated in note 38(b) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

Xpro India Limited : Annual Report 2022/23

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

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

Ashish Gera
Partner
Membership No. 508685
UDIN: 23508685BGYCQV4879
Place: Delhi
Date: 22 May 2023

Xpro India Limited : Annual Report 2022/23

Annexure 1 referred to in Paragraph 16 of 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 2023

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and right of use assets 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 physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) As disclosed in note 52(d) to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs 5 crore by banks based on the security of current assets during the year. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and/or financial institutions and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year
 - (a) The Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under clauses 3(iii)(a) of the Order is not applicable to the Company.
 - (b) The Company has not made any investment, granted any loans or advances in the nature of loans, provided any guarantee or security, secured or unsecured to companies, firms, Limited Liability Partnerships (LLP's) or any other parties during the year.
 - (c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments made, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans granted, guarantees and security provided by it.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73

Xpro India Limited : Annual Report 2022/23

to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. 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 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) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, 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, with the appropriate authorities. 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) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lacs)	Amount paid under Protest (₹ in lacs)	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	Superintendent 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

Xpro India Limited : Annual Report 2022/23

Name of the statute	Nature of dues	Gross Amount (₹ in lacs)	Amount paid under Protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
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 & Service Tax Act, 2017	Excise Duty	0.32	-	2013-14	Assistant Commissioner CGST & Central Excise, Bankura
Central Goods & Service Tax Act, 2017	Excise Duty	23.90	-	2014-17	Assistant Commissioner CGST & Central Excise, Bankura
Central Goods & Service Tax Act, 2017	Excise Duty	1.80	-	2014-17	Assistant Commissioner CGST & Central Excise, Bankura
Central Goods & Service Tax Act, 2017	Excise Duty	1.42	-	2017-18	Assistant Commissioner CGST & Central Excise, Bankura
Central Excise Act, 1944	Excise Duty	13.35	-	2015-16	Directorate General of Central Excise Intelligence
Central Excise Act, 1944	Excise Duty	4.43	-	2016-18	Assistant Commissioner (CGST Audit-1) Pune Commissionerate
Central Excise Act, 1944	Excise Duty	3.96	-	2017	Assistant Commissioner CGST & Central Excise, Bankura

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

Xpro India Limited : Annual Report 2022/23

- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
(b) During the year, the Company has made preferential allotment of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised were used for the purposes for which the funds were raised, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government for the period covered by our audit.
(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

Xpro India Limited : Annual Report 2022/23

- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amount towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Ashish Gera
Partner
Membership No. 508685
UDIN: 23508685BGYCQV4879

Place: Delhi
Date: 22 May 2023

Xpro India Limited : Annual Report 2022/23

Annexure 2 to the Independent Auditor's Report of even dated to the members of Xpro India Limited on the standalone financial statements for the year ended 31 March 2023

Annexure 2

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 2023, 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 financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("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 Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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 standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone 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 standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Xpro India Limited : Annual Report 2022/23

detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Ashish Gera
Partner
Membership No. 508685
UDIN: 23508685BGYCQV4879

Place: Delhi
Date: 22 May 2023

Xpro India Limited : Annual Report 2022/23

STANDALONE BALANCE SHEET as at March 31, 2023

	Note No.	As at March 31, 2023	As at March 31, 2022
(INR lacs)			
ASSETS			
Non-Current assets			
a. Property, plant and equipment	5 (a)	1,50,81.26	1,59,35.83
b. Right-of-use assets	46	9,10.09	8,81.22
c. Capital work-in-progress	5 (b)	2,61.20	37.30
d. Other intangible assets	6	-	-
e. Financial assets - Investments	7	4,66.33	4,99.36
- Loans	8	22.13	13.45
- Other financial assets	9	3,41.43	4,53.79
f. Deferred tax assets (net)	25	-	4,54.52
g. Non-current tax assets (net)	10	1,71.80	2,56.09
h. Other non-current assets	11	35,57.43	4,33.56
		<u>2,08,11.67</u>	<u>1,89,65.12</u>
Current assets			
a. Inventories	12	47,32.07	45,64.17
b. Financial assets - Trade receivables	13	50,98.39	66,34.46
- Cash and cash equivalents	14	12.43	18,65.85
- Bank balances other than cash and cash equivalents	15	30,01.11	4,77.30
- Loans	16	12.44	9.41
- Other financial assets	17	12.09	82.72
c. Other current assets	18	3,33.19	3,60.62
		<u>1,32,01.72</u>	<u>1,39,94.53</u>
Assets held for sale	19	-	5,21.46
Total Assets		<u>3,40,13.39</u>	<u>3,34,81.11</u>
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	20	18,21.22	11,81.35
b. Other equity	21	2,15,33.81	1,60,20.67
Total equity		<u>2,33,55.03</u>	<u>1,72,02.02</u>
Liabilities			
Non-Current liabilities			
a. Financial liabilities			
Borrowings	22	9,56.37	63,70.93
Lease liabilities	46	2,26.95	1,94.93
Other financial liabilities	23	6.57	6.57
b. Provisions	24	18.98	2,21.79
c. Deferred tax liabilities (net)	25	9,45.33	-
		<u>21,54.20</u>	<u>67,94.22</u>
Current liabilities			
a. Financial liabilities			
Borrowings	26	26,48.43	23,99.98
Lease liabilities	46	36.44	22.89
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	27	1,41.04	1,76.05
- total outstanding dues of creditors other than micro enterprises and small enterprises	27	48,96.88	56,13.49
Other financial liabilities	28	2,51.04	2,40.50
b. Other current liabilities	29	5,30.33	10,31.96
		<u>85,04.16</u>	<u>94,84.87</u>
Total liabilities		<u>1,06,58.36</u>	<u>1,62,79.09</u>
Total Equity and liabilities		<u>3,40,13.39</u>	<u>3,34,81.11</u>

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

In terms of our report of even date attached

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

Ashish Gera
Partner
Membership No. 508685
New Delhi, May 22, 2023

Kamal Kishor Sewoda
Company Secretary

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

For and on behalf of the Board

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director &
Chief Executive Officer
(DIN: 00003343)

Xpro India Limited : Annual Report 2022/23

STANDALONE STATEMENT OF PROFIT AND LOSS

For the Year ended March 31, 2023

	Note No.	Year ended March 31, 2023	(INR lacs) Year ended March 31, 2022
Revenue			
- Revenue from operations	30	5,10,97.03	4,71,71.99
- Other income	31	<u>3,84.72</u>	<u>1,82.93</u>
Total income		5,14,81.75	4,73,54.92
Expenses			
- Cost of materials consumed	32	3,46,95.04	3,27,97.43
- Changes in inventories of finished goods and work-in-progress	33	3,15.25	(2,37.38)
- Employee benefits expense	34	30,06.96	30,19.12
- Finance costs	35	7,53.19	13,00.72
- Depreciation and amortisation expense	36	11,52.18	12,06.81
- Other expenses	37	<u>56,36.06</u>	<u>52,09.55</u>
Total expenses		4,55,58.68	4,32,96.25
Profit before tax		<u>59,23.07</u>	<u>40,58.67</u>
Tax expense			
- Current tax	25	7.83	-
- Deferred tax expense/(credit)		14,11.53	(4,54.52)
- Tax adjusted for earlier years		<u>(32.64)</u>	<u>20.12</u>
Total tax expense		<u>13,86.72</u>	<u>(4,34.40)</u>
Profit for the year		<u>45,36.35</u>	<u>44,93.07</u>
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(0.23)	(15.41)
- Income tax relating to items that will not be reclassified to profit or loss		0.06	-
Items that will be reclassified to profit or loss			
- Change in fair value of tax free bonds		(33.04)	(13.12)
- Income tax relating to items that will be reclassified to profit or loss		11.62	-
Other comprehensive income for the year, net of tax		<u>(21.59)</u>	<u>(28.53)</u>
Total comprehensive income for the year (comprising profit after tax and other comprehensive income for the year)		45,14.76	44,64.54
Earnings per equity share (of INR 10/- each)			
- Basic (INR)	38	25.57	25.36
- Diluted (INR)		24.35	25.05

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

Ashish Gera

Partner

Membership No. 508685

New Delhi

May 22, 2023

Kamal Kishor Sewoda

Company Secretary

V. K. Agarwal

President (Finance) &

Chief Financial Officer

For and on behalf of the Board

Sidharth Birla

Chairman

(DIN: 00004213)

C. Bhaskar

Managing Director &

Chief Executive Officer

(DIN: 00003343)

Xpro India Limited : Annual Report 2022/23

STANDALONE STATEMENT OF CASH FLOWS

For the Year ended March 31, 2023

	Year ended March 31, 2023	(INR lacs) Year ended March 31, 2022
A. Cash flow from operating activities		
Net profit before tax	59,23.07	40,58.67
Adjustments for:		
Depreciation and amortisation (net)	11,52.18	12,06.81
Excess provision written back	-	(48.85)
Interest income	(1,56.00)	(50.47)
Finance costs	7,53.19	13,00.72
Gain/Loss on sale of property, plant & equipment	(80.15)	29.04
Dividend income	(0.08)	(0.05)
Operating profit before working capital changes	75,92.21	64,95.87
Movement in financial assets	4.93	32.45
Movement in trade receivables	15,36.07	3.65
Movement in other assets	24.57	(1,77.87)
Movement in inventories	(1,67.90)	(4,60.44)
Movement in financial liabilities	(7,84.17)	(13,44.77)
Movement in other liabilities	1,76.37	6,13.54
Movement in provisions	(2,03.04)	(2,23.27)
Cash flow generated from operations (gross)	81,79.04	49,39.16
Income tax paid (net)	1,09.10	(72.28)
Net cash flow generated from operating activities (A)	82,88.14	48,66.88
B. Cash flow from investing activities		
Purchase of property, plant and equipment, right-of-use assets and intangible assets (including adjustment on account of capital work-in-progress, capital advances and capital creditors)	(36,31.88)	(6,54.38)
Investment in tax-free bonds	-	(5,10.99)
Proceeds from sale of property, plant and equipment	76.50	1,34.34
Dividend received	0.08	0.05
Interest received	1,56.00	38.95
Investment in fixed deposits	(24,28.26)	(61.71)
Net cash flow used in investing activities (B)	(58,27.56)	(10,53.74)
C. Cash flow from financing activities		
Proceeds from convertible warrants	18,74.52	37,49.04
Dividend paid	(2,32.58)	-
Principal payment of lease liabilities	(27.87)	(13.82)
Interest payment of lease liabilities	(27.36)	(25.36)
Proceeds from long-term borrowings	-	4,86.93
Repayment of long-term borrowings	(54,13.32)	(38,43.10)
Proceeds/Repayment of short-term borrowings (net)	2,48.45	(11,88.40)
Interest paid	(7,35.84)	(12,81.05)
Net cash flow used in financing activities (C)	(43,14.00)	(21,15.76)
Net decrease/increase in cash and cash equivalents (A+B+C)	(18,53.42)	16,97.38
Cash and Cash Equivalents at the beginning of the year	18,65.85	1,68.47
Cash and Cash Equivalents at the end of the year (refer Note 14)	12.43	18,65.85
	<u>As at</u>	<u>As at</u>
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Components of cash and cash equivalents (refer Note 14)		
Balances with scheduled banks:		
- In current accounts	10.42	18,63.45
Cash on hand	2.01	2.40
	<u>12.43</u>	<u>18,65.85</u>

Xpro India Limited : Annual Report 2022/23

Notes:

- a) The Standalone 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’

	Lease liabilities	Long-term borrowings	Short-term Borrowings
	(INR lacs)		
Balance as on April 1, 2021*	2,31.64	97,00.68	35,88.38
Cash flows:			
Proceeds	-	4,86.93	-
Repayments	(39.18)	(38,43.10)	(11,88.40)
Non-cash changes on account of:			
foreign exchange fluctuation	-	26.42	-
interest cost on lease liabilities	25.36	-	-
Balance as on April 1, 2022*	2,17.82	63,70.93	23,99.98
Cash flows:			
Proceeds	-	-	2,48.45
Repayments	(55.23)	(54,13.32)	-
Non-cash changes on account of:			
addition	73.44	-	-
foreign exchange fluctuation	-	(1.24)	-
interest cost on lease liabilities	27.36	-	-
Balance as on March 31, 2023*	2,63.39	9,56.37	26,48.43

* includes current maturity of long-term borrowings INR 6,06.92 lacs (March 31, 2022: INR 16,59.50 lacs, March 31, 2021: INR 24,16.41 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 Chandio & Co LLP
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board

Ashish Gera
Partner
Membership No. 508685
New Delhi
May 22, 2023

Kamal Kishor Sewoda
Company Secretary

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

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director &
Chief Executive Officer
(DIN: 00003343)

Xpro India Limited : Annual Report 2022/23

STANDALONE STATEMENT OF CHANGES IN EQUITY

For the Year ended March 31, 2023

(INR lacs)

A. Equity Share Capital

Particulars	Number of shares	Amount
Balance as at April 1, 2021	1,18,13,500	11,81.35
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	1,18,13,500	11,81.35
Bonus equity shares issued during the year (Note 20)	59,06,744	5,90.67
Equity shares issued on conversion of fully paid warrants (Note 20 & 48)	3,28,000	32.80
Bonus equity shares issued on conversion of fully paid warrants (Note 20)	1,64,000	16.40
Balance as at March 31, 2023	1,82,12,244	18,21.22

B. Other equity

Particulars	Capital subsidy reserve	Securities premium	General reserve	Retained earnings	Financial assets through OCI	Money received against warrants	Total
Balance as at April 1, 2021	60.50	4,06.58	67,50.00	5,90.01	-	-	78,07.09
Profit for the year	-	-	-	44,93.07	-	-	44,93.07
Other comprehensive income/(loss) (net of tax)	-	-	-	(15.41)	(13.12)	-	(28.53)
On preferential issue of warrants	-	-	-	-	-	37,49.04	37,49.04
Balance as at March 31, 2022	60.50	4,06.58	67,50.00	50,67.67	(13.12)	37,49.04	1,60,20.67
Profit for the year	-	-	-	45,36.35	-	-	45,36.35
Other comprehensive income/(loss) (net of tax)	-	-	-	(0.17)	(21.42)	-	(21.59)
Payment of Dividend	-	-	-	(2,36.27)	-	-	(2,36.27)
Issue of Bonus shares	-	(4,06.58)	(2,00.49)	-	-	-	(6,07.07)
Balance proceeds from warrants	-	-	-	-	-	18,74.52	18,74.52
Issue of shares against warrants	-	24,66.56	-	-	-	(24,99.36)	(32.80)
Balance as at March 31, 2023	60.50	24,66.56	65,49.51	93,67.58	(34.54)	31,24.20	2,15,33.81

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

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

For and on behalf of the Board

Ashish Gera
Partner
Membership No. 508685
New Delhi
May 22, 2023

Kamal Kishor Sewoda
Company Secretary

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

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director &
Chief Executive Officer
(DIN: 00003343)

Xpro India Limited : Annual Report 2022/23

Notes to the Standalone 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. **Recent accounting pronouncements issued but not made effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

a. **Amendment to Ind AS 1, Presentation of Financial Statements**

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

b. **Amendment to Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors**

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

c. **Amendment to Ind AS 12, Income Taxes**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

3. **Basis for Preparation:**

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

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

b. **Basis of measurement**

These standalone 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 standalone financial statements.

c. **Functional and presentation currency**

The standalone financial statements of the Company are presented in Indian Rupees (INR), which is also its functional currency. All financial amounts disclosed in the standalone financial statements and notes have been rounded to the nearest lac (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;

Xpro India Limited : Annual Report 2022/23

- 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 standalone 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 4(t) - Financial Instruments.

Overall Considerations

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

4. Significant accounting policies:

A summary of the significant accounting policies applied in the preparation of the standalone 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 Standalone Statement of Profit and Loss for the period during which such expenses are incurred. Expenditure directly relating to construction activity is capitalized. Indirect

Xpro India Limited : Annual Report 2022/23

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 Standalone 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 on a straight line method computed on the basis of Companies Act, 2013, on pro-rata basis from the date the asset is ready to put to use.

Leasehold improvements are amortised over the lease period.

Depreciation on property, plant and equipment which are added/discharged 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 Standalone 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 standalone 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 standalone 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

Xpro India Limited : Annual Report 2022/23

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 standalone statement of profit and 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 quarterly 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 standalone 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 standalone 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. Trade Receivables

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

j. Cash and cash equivalents

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

k. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date the transaction first qualifies for recognition. Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

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

The 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 standalone statement of profit and loss.

l. Revenue recognition

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

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

m. 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.

Xpro India Limited : Annual Report 2022/23

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 standalone statement of profit and 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 standalone 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 Standalone Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

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

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

n. 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 standalone 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 standalone 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 standalone statement of profit and loss. Short term leases are the leases with a lease term of 12 months or less.

o. Income tax

Income tax expense comprises current and deferred tax.

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

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

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

p. Earnings per share

Basic earnings per share is computed by dividing the 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, except where the results would be anti-dilutive.

q. Operating segment

In accordance with Ind AS 108, operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments. The business activities of the 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.

r. Equity investment

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

s. Financial instruments

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

1. Financial assets

Initial recognition and measurement

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

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 effective interest rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the standalone statement of profit and loss. The losses arising from impairment are recognised in the standalone statement of profit and loss. This category generally applies to trade and other receivables.

Xpro India Limited : Annual Report 2022/23

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 standalone statement of profit and loss on disposal of that financial asset.

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

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

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

Derecognition

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

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) Financial assets that are measured at FVTOCI e.g. investment in bonds.
- (c) Trade receivables under Ind AS 115.

For recognition of impairment loss on other financial assets and risk exposure, the 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 standalone statement of profit and 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 standalone statement of profit and 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 standalone 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.

t. Use of estimates and management judgements

The preparation of the Company's standalone 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 standalone 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 standalone 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 standalone financial statements. Changes in estimates are accounted for prospectively.

In order to enhance understanding of the standalone 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.

5. a) Property, plant and equipment (INR lacs)

Particulars	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Computers	Equipment & Fittings	Total	Capital work- In Progress
Gross Block								
Balance as on April 1, 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
Additions (refer Note d' below)	55.97	31.24	1.75	1,37.58	12.59	6.39	2,45.52	37.30
Less: Disposals/adjustments	1,50.69	59.85	2.65	1,12.44	10.24	3.43	3,39.30	31.24
Balance as on March 31, 2022	41,34.96	2,52,73.02	3,34.58	3,40.82	1,58.07	120.19	3,03,61.64	37.30
Additions (refer Note d' below)	51.23	1,19.41	2.07	1,43.66	10.69	7.88	3,34.94	2,28.20
Less: Disposals/adjustments	-	17,79.92	1,45.90	58.21	33.88	54.22	20,72.13	4.30
Balance as on March 31, 2023	41,86.19	2,36,12.51	1,90.75	4,26.27	1,34.88	73.85	2,86,24.45	2,61.20
Accumulated Depreciation								
Balance as on April 1, 2021	10,17.88	1,17,93.47	2,45.32	1,33.05	1,39.41	1,03.02	1,34,32.15	-
Add: depreciation for the year	1,36.95	9,64.00	19.41	37.56	4.42	7.24	11,69.58	-
Less: Disposals	48.49	31.76	2.51	80.12	9.78	3.26	1,75.92	-
Balance as on March 31, 2022	11,06.34	1,27,25.71	2,62.22	90.49	1,34.05	1,07.00	1,44,25.81	-
Add: depreciation for the year	1,31.52	9,06.60	15.45	37.75	8.23	7.87	11,07.42	-
Less: Disposals	-	17,46.92	1,37.85	18.93	33.88	52.46	19,90.04	-
Balance as on March 31, 2023	12,37.86	1,18,85.39	1,39.82	1,09.31	1,08.40	62.41	1,35,43.19	-
Balance as on March 31, 2023	29,48.33	1,17,27.12	50.93	3,16.96	26.48	11.44	1,50,81.26	2,61.20
Balance as on March 31, 2022	30,28.62	1,25,47.31	72.36	2,50.33	24.02	13.19	1,59,35.83	37.30

Notes:

- Refer Note 22 for information on property, plant and equipment pledged as security by the Company;
- Refer Note 11 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 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 considered in these standalone financial statements;
- Exchanges differences on all long-term monetary items resulted in deletion of INR 1.24 lacs (March 31, 2022: addition of INR 26.42 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;
- The Company has constructed buildings on leasehold lands which are shown under note 46 - Leases; There are no separate title deeds for such buildings.

Xpro India Limited : Annual Report 2022/23

5. b) Capital Work-in-progress (CWIP)	Amount in CWIP for a period of				(INR lacs)
	< 1 year	1 – 2 years	2 – 3 years	> 3 years	Total
<u>As at March 31, 2023</u>					
Projects in progress	228.20	33.00	-	-	261.20
<u>As at March 31, 2022</u>					
Projects in progress	37.30	-	-	-	37.30

There are no projects as on end of each reporting period (a) where activity has been suspended and (b) which has exceeded cost as compared to its original plan or where completion is overdue.

6. Other intangible assets			(INR lacs)
	<u>Computer software</u>	<u>Technical knowhow</u>	<u>Total</u>
Gross block			
Balance as at April 1, 2021	28.32	3,48.38	3,76.70
Additions	-	-	-
Balance as at March 31, 2022	28.32	3,48.38	3,76.70
Additions	-	-	-
Balance as at March 31, 2023	28.32	3,48.38	3,76.70
Accumulated amortisation			
Balance as at April 1, 2021	28.32	3,48.38	3,76.70
Add: Amortisation during the year	-	-	-
Balance as at March 31, 2022	28.32	3,48.38	3,76.70
Add: Amortisation during the year	-	-	-
Balance as at March 31, 2023	28.32	3,48.38	3,76.70
Net balance as at March 31, 2022	-	-	-
Net balance as at March 31, 2023	-	-	-

7. Investments (Non-current)			(INR lacs)
	As at March 31, 2023	As at March 31, 2022	
Investments measured at amortised cost			
Investments in equity shares of wholly owned subsidiaries:			
Unquoted (valued at cost - non-trade)			
10,00,000 equity shares (March 31, 2022: 10,00,000 equity shares) of INR10 each in Xpro Global Limited (out of which 9,50,000 equity shares (March 31, 2022: 9,50,000 equity shares) partly paid up of INR 5 each)	52.50	52.50	
Less: impairment in value of investment, written off	(51.00)	(51.00)	
Investments in bonds (quoted) (Fair value through other comprehensive income):			
Tax Free Bonds (refer details below*)	4,64.83	4,97.86	
Total investments	<u>4,66.33</u>	<u>4,99.36</u>	
Aggregate amount of unquoted investments (net of impairment)	1.50	1.50	
Aggregate amount of impairment in value of unquoted investment	51.00	51.00	
Aggregate amount of quoted investments	4,64.83	4,97.86	

* Quoted investments

	As at March 31, 2023		As at March 31, 2022	
	Number of Units	Amount (INR lacs)	Number of Units	Amount (INR lacs)
8.66% IIFCL Tax Free Bond - 2034 (January 1, 2034) (Face Value: INR 1,000 each)	20000	2,48.50	20000	2,64.62
8.48% IIFCL Tax Free Bond - 2028 (September 9, 2028) (Face Value: INR 10,00,000 each)	10	1,13.89	10	1,21.89
8.66% NTPC Tax Free Bond - 2033 (December 16, 2033) (Face Value: INR 1,000 each)	3463	43.31	3463	47.64
8.63% IRFC Tax Free Bond - 2029 (March 26, 2029) (Face Value: INR 1,000 each)	2500	28.91	2500	30.85
8.66% IIFCL Tax Free Bond - 2034 (January 22, 2034) (Face Value: INR 1,000 each)	1499	18.78	1499	20.56
8.54% PFC Tax Free Bond - 2028 (November 16, 2028) (Face Value: INR 1,000 each)	1000	11.44	1000	12.30
		<u>4,64.83</u>		<u>4,97.86</u>

The aggregate amount of investment in bonds at purchase price is INR 5,10.98 lacs (March 31, 2022: INR 5,10.98 lacs)

Xpro India Limited : Annual Report 2022/23

8. Loans (Non-current)			(INR lacs)
<i>(Considered good, unsecured)</i>			
		As at	As at
		<u>March 31, 2023</u>	<u>March 31, 2022</u>
Loans to employees		22.13	13.45
Total		22.13	13.45
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)			(INR lacs)
<i>(Considered good, unsecured)</i>			
		As at	As at
		<u>March 31, 2023</u>	<u>March 31, 2022</u>
Security deposits		1,80.20	1,77.91
VAT Subsidy		1,56.78	1,75.88
Bank Deposits with more than 12 months maturity		4.45	1,00.00
Total		3,41.43	4,53.79
10. Non-current tax assets (net)			(INR lacs)
		As at	As at
		<u>March 31, 2023</u>	<u>March 31, 2022</u>
Pre-paid taxes <i>(net of provision for tax INR Nil; previous year INR Nil)</i>		1,71.80	2,56.09
Total		1,71.80	2,56.09
11. Other assets (Non-current)			(INR lacs)
<i>(Considered good, unsecured)</i>			
		As at	As at
		<u>March 31, 2023</u>	<u>March 31, 2022</u>
Capital advances [refer Note (a) and (b) below]		35,17.10	3,96.09
Advances other than capital advances			
- Pre-paid expenses		11.78	8.42
- Balances with statutory authorities		28.55	29.05
Total		35,57.43	4,33.56
Note:			
Capital commitment:			
a) Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts (net of capital advances): INR 2,55,03.70 lacs (March 31, 2022: INR 1,45.81 lacs)			
b) Unpaid portion of subscribed equity capital in subsidiary: INR 47.50 lacs (March 31, 2022: INR 47.50 lacs)			
12. Inventories			(INR lacs)
<i>(valued at lower of cost and net realisable value)</i>			
		As at	As at
		<u>March 31, 2023</u>	<u>March 31, 2022</u>
Raw material		30,64.19	25,42.50
Work-in-progress		2,70.39	1,79.67
Finished goods		10,26.78	14,32.75
Stores and spares		3,70.71	4,09.25
Total		47,32.07	45,64.17
13. Trade receivables			(INR lacs)
		As at	As at
		<u>March 31, 2023</u>	<u>March 31, 2022</u>
Trade receivables: Considered good, unsecured		50,98.39	66,34.46
Total		50,98.39	66,34.46
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.			

Xpro India Limited : Annual Report 2022/23

c) Trade receivables ageing schedule							(INR lacs)
Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		< 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	> 3 years	
<u>March 31, 2023</u>							
Undisputed trade receivables							
i) considered good	44,92.71	6,03.02	2.66	-	-	-	50,98.39
ii) which have significant increase in credit risk	-	-	-	-	-	-	-
iii) credit impaired	-	-	-	-	-	-	-
<u>March 31, 2022</u>							
Undisputed trade receivables							
i) considered good	58,38.30	7,96.13	0.03	-	-	-	66,34.46
ii) which have significant increase in credit risk	-	-	-	-	-	-	-
iii) credit impaired	-	-	-	-	-	-	-
14. Cash and cash equivalents							(INR lacs)
					As at	As at	
					<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Balance with banks in current accounts					10.42	18,63.45	
Cash on hand					2.01	2.40	
Total					<u>12.43</u>	<u>18,65.85</u>	
15. Bank balances other than cash and cash equivalents							(INR lacs)
					As at	As at	
					<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Deposit accounts with original maturity of more than 3 months and remaining maturity of less than 12 months					26,25.90	65.13	
Unpaid dividend accounts					3.69	-	
Deposit with banks held as margin money					3,71.52	4,12.17	
Total					<u>30,01.11</u>	<u>4,77.30</u>	
16. Loans (Current)							(INR lacs)
<i>(Considered good, unsecured)</i>							
					As at	As at	
					<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Loans to employees					12.44	9.41	
Total					<u>12.44</u>	<u>9.41</u>	
17. Other financial assets (Current)							(INR lacs)
<i>(Considered good, unsecured)</i>							
					As at	As at	
					<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Security deposits					0.57	0.41	
Interest accrued but not due (on tax-free bonds)					11.52	11.51	
Recoverable from others (refer note 19)					-	70.80	
Total					<u>12.09</u>	<u>82.72</u>	
18. Other current assets							(INR lacs)
<i>(Considered good, unsecured)</i>							
					As at	As at	
					<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Advance to suppliers					28.58	18.57	
Prepaid expenses					1,94.94	2,44.77	
Balance with government authorities					59.96	64.61	
Other receivable							
Loans - considered good, unsecured					49.71	32.67	
Total					<u>3,33.19</u>	<u>3,60.62</u>	
Note:							
Balance with government authorities represents goods and service tax (earlier service tax) paid on inputs (earlier input and services)							

Xpro India Limited : Annual Report 2022/23

consumed by the Company and eligible for utilization towards discharge of goods and service tax (earlier service tax liability) in respect of services rendered by the Company. The Company expects the utilization of outstanding balances as at each date of standalone statement of financial position within twelve months thereof.

19. Assets held for sale

	As at March 31, 2023	(INR lacs) As at March 31, 2022
Property, plant and equipment	-	5,21.46
Total	-	5,21.46

The management decided, during the year ended March 31, 2019, to sell or otherwise dispose non-core asset being Biax Division Unit 1, located at Barjora, Dist. Bankura, West Bengal, and subsequently obtained necessary shareholder approval. Accordingly, in terms of Ind AS 105 Non-current assets held for sale and discontinuing operations, the property, plant and equipment situated at Biax Division Unit 1 were presented as 'Assets held for sale' separately from other assets in the balance sheet. The sale/business transfer was completed on October 20, 2022 at a consideration of INR 6,78 lacs for fixed assets. Accounting for the transaction resulted in an increase of other income by INR 85.75 lacs during the current financial year.

20. Equity share capital

<u>Particulars</u>	As at March 31, 2023	(INR lacs) As at March 31, 2022
Authorised Share Capital		
3,50,00,000 (March 31, 2022: 3,50,00,000) Equity shares of INR 10 each	35,00.00	35,00.00
Issued, Subscribed & Paid-up		
1,82,12,231 (March 31, 2022: 1,18,13,487) equity shares of INR 10 each fully paid	18,21.22	11,81.35
Share Capital Suspense		
13 (March 31, 2022:13) equity shares of INR 10 each fully paid	*	*
(*rounded off to INR Nil)	18,21.22	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 (as amended) and 1 equity share of INR 10 pending to be allotted as fully paid to a non-resident share holder by way of bonus share in terms of RBI regulations.

b) Reconciliation of number of equity shares outstanding:

	<u>For the year ended March 31, 2023</u>		<u>For the year ended March 31, 2022</u>	
	Number of equity shares	Amount (INR lacs)	Number of equity shares	Amount (INR lacs)
At the beginning of the year	1,18,13,500	11,81.35	1,18,13,500	11,81.35
Bonus equity shares issued during the year	59,06,744	5,90.67	-	-
Equity shares issued on conversion of fully paid warrants	3,28,000	32.80	-	-
Bonus equity shares issued on conversion of fully paid warrants	1,64,000	16.40	-	-
At the end of the year	1,82,12,244	18,21.22	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 face value of INR 10 per share. All Equity Shares carry one vote per share without restrictions and are entitled to Dividend, as and when declared. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, if any, in proportion to their respective shareholding. All shares rank equally with regard to the Company's residual assets.

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

<u>Name of the Shareholder(s)</u>	As at March 31, 2023	As at March 31, 2022
i) Intellipro Finance Private Limited		
- No. of shares	34,57,500	23,05,000
- % of shares held	18.98	19.51
ii) iPro Capital Limited		
- No. of shares	44,09,999	29,40,000
- % of shares held	24.21	24.89

Xpro India Limited : Annual Report 2022/23

e) Shareholding of Promoters:

Sl.	Promoter Name	Shares held by Promoters/Promoter Group				% change during the year
		As on March 31, 2022		As on March 31, 2023		
		No. of Shares	% of total	No. of Shares	% of total	
1	Birla Eastern Limited	18400	0.16	27600	0.15	(0.01)
2	Birla Holdings Limited	166650	1.41	249975	1.37	(0.04)
3	Birla, Madhushree Smt.	100125	0.85	150187	0.82	(0.03)
4	Birla, Sidharth Kumar	101875	0.86	152812	0.84	(0.02)
5	Birla, S K	553	Neg.	829	Neg.	Neg.
6	Sudarshan Kumar Birla (HUF)	156	Neg.	234	Neg.	Neg.
7	Birla, Sumangala Smt.	1527	0.01	2290	0.01	Neg.
8	Central India General Agents Limited	275000	2.33	805500	4.42	2.09
9	IntelliPro Finance Private Limited	2305000	19.51	3457500	18.98	(0.53)
10	iPro Capital Limited	2940000	24.89	4409999	24.21	(0.68)
11	Janardhan Trading Co. Ltd.	-	-	99000	0.54	0.54
Promoter/Promoter Group Total:		5909286	50.02	9355926	51.34	1.32

f) During the year ended March 31, 2023, the Company issued and allotted (a) 59,06,744 equity shares of INR 10 each as fully paid-up bonus shares in the ratio of one equity share for every two equity shares outstanding on record date, and (b) 1,64,000 equity shares of INR 10 each as fully paid-up bonus shares in the ratio of one equity share for every two equity shares to warrant holders on conversion of fully paid warrants to equity shares. There have been no other shares which has been issued for a consideration other than cash and no shares bought back by the Company during the period of 5 years immediately preceding the reporting date.

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

21. Other Equity

Particulars	Capital subsidy reserve	Securities premium	General reserve	Retained earnings	Financial assets through OCI	Money received against warrants	(INR lacs)
							Total
Balance as at April 1, 2021	60.50	4,06.58	67,50.00	5,90.01	-	-	78,07.09
Profit for the year	-	-	-	44,93.07	-	-	44,93.07
Other comprehensive income/(loss) (net of tax)	-	-	-	(15.41)	(13.12)	-	(28.53)
On preferential issue of warrants	-	-	-	-	-	37,49.04	37,49.04
Balance as at March 31, 2022	60.50	4,06.58	67,50.00	50,67.67	(13.12)	37,49.04	1,60,20.67
Profit for the year	-	-	-	45,36.35	-	-	45,36.35
Other comprehensive income/(loss) (net of tax)	-	-	-	(0.17)	(21.42)	-	(21.59)
Payment of Dividend	-	-	-	(2,36.27)	-	-	(2,36.27)
Issue of Bonus shares	-	(4,06.58)	(2,00.49)	-	-	-	(6,07.07)
Balance proceeds from warrants	-	-	-	-	-	18,74.52	18,74.52
Issue of shares against warrants	-	24,66.56	-	-	-	(24,99.36)	(32.80)
Balance as at March 31, 2023	60.50	24,66.56	65,49.51	93,67.58	(34.54)	31,24.20	2,15,33.81

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

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

c) General reserve

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

d) Retained earnings

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

Xpro India Limited : Annual Report 2022/23

e) Money received against warrants

Represents amount received towards preferential allotment of convertible warrants issued.

22. Non-current financial liabilities - Borrowings

	(INR lacs)	
	As at	As at
	March 31, 2023	March 31, 2022
<u>Loans from banks - Secured</u>		
Term loans (refer note a to m)	9,47.10	53,61.29
Foreign currency borrowings (refer note n)	-	9,70.59
Vehicle loans (refer note o)	9.27	39.05
Total	9,56.37	63,70.93

- a. Term Loan from Punjab National Bank, outstanding INR Nil (previous year: INR 3,47.35 lacs), carried interest linked to the bank's MCLR was repayable in (i) 4 quarterly instalments of INR 7.25 lacs each starting from April 2017; (ii) 4 quarterly instalments of INR 24.00 lacs each starting from April 2018; (iii) 12 quarterly instalments of INR 28.75 lacs each starting from April 2019 & (iv) 16 quarterly instalments of INR 30.00 lacs each starting from April 2022 and was 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.
- b. Term Loan from State Bank of India, outstanding INR Nil (previous year: INR 9,05.72 lacs) carried interest linked to the bank's MCLR was repayable in (i) 4 quarterly instalments of INR 15.50 lacs each starting from April 2017; (ii) 4 quarterly instalments of INR 51.75 lacs each starting from April 2018; (iii) 12 quarterly instalments of INR 62.00 lacs each starting from April 2019 & (iv) 16 quarterly instalments of INR 64.75 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.
- c. Term Loan from State Bank of India, outstanding INR Nil (previous year: INR 6,99.26 lacs) carried interest linked to the bank's MCLR was repayable in (i) 4 quarterly instalments of INR 12.00 lacs each starting from April 2017; (ii) 4 quarterly instalments of INR 40.00 lacs each starting from April 2018; (iii) 12 quarterly instalments of INR 48.00 lacs each starting from April 2019; & (iv) 16 quarterly instalments of INR 50.00 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.
- d. Term Loan from State Bank of India, outstanding INR Nil (previous year: INR 7,22.62 lacs) carried interest linked to the bank's MCLR was repayable in (i) 4 quarterly instalments of INR 12.50 lacs each starting from April 2017; (ii) 4 quarterly instalments of INR 41.50 lacs each starting from April 2018; (iii) 12 quarterly instalments of INR 49.75 lacs each starting from April 2019 & (iv) 16 quarterly instalments of INR 51.75 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.
- e. Term Loan from Indian Bank, outstanding INR Nil (previous year: INR 6,36.23 lacs), carried interest linked to the bank's MCLR was repayable in (i) 2 quarterly instalments of INR 7.50 lacs each starting from October, 2016; (ii) 4 quarterly instalments of INR 11.25 lacs each starting from April 2017; (iii) 4 quarterly instalments of INR 37.50 lacs each starting from April 2018 (iv) 12 quarterly instalments of INR 44.50 lacs each starting from April 2019 & (v) 16 quarterly instalments of INR 47.25 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.
- f. Corporate Loan from State Bank of India, outstanding INR Nil (previous year: INR 3,55.66 lacs), carried interest linked to the bank's MCLR was repayable in (i) 4 quarterly instalments of INR 11.25 lacs each starting from April 2017; (ii) 4 quarterly instalments of INR 37.50 lacs each starting from April 2018; (iii) 12 quarterly instalments of INR 45.00 lacs each starting from April 2019 & (iv) 16 quarterly instalments of INR 47.00 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.
- g. Term Loan from Punjab National Bank, outstanding INR Nil (previous year: INR 1,35.99 lacs), carried interest linked to the bank's MCLR, was repayable in (i) 24 quarterly instalments of INR 25.00 lacs each starting from June, 2020; and was secured by

Xpro India Limited : Annual Report 2022/23

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.

- h. During the year, term/corporate loans aggregating to INR 48,07.64 lacs has been pre-paid to banks.
- i. During 2020-21, the Company had 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; accordingly the re-payment schedule had been extended.
- j. Working Capital Term Loan from State Bank of India, under Guaranteed Emergency Credit Line 2.0 (GECL2.0) scheme, outstanding INR 11,00.90 lacs (previous year: INR 15,00.01 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 47 monthly instalments of INR 33.33 lacs each starting from January 2022 & (ii) last instalment of INR 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).
- k. Working Capital Term Loan from Punjab National Bank, under GECL2.0 scheme, outstanding INR 1,40.62 lacs (previous year: INR 2,15.60 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 35 monthly instalments of INR 6.38 lacs each starting from February 2022 & (ii) last instalment of INR 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.
- l. Working Capital Term Loan from Indian Bank, under GECL2.0 scheme, outstanding INR 2,89.67 lacs (previous year: INR 4,26.93 lacs), carrying interest linked to the bank's MCLR, repayable in 48 monthly instalments of INR 8.96 lacs each starting from April 2022 is secured by extension of second charge over the existing primary and collateral securities including mortgages created in favour of the Consortium banks on pari-passu basis and covered under guarantee coverage from NCGTC.
- m. The above-mentioned term loans carry interest rate between 7.9 to 12 % per annum (previous year: 7.9 to 12 %).
- n. ECB from Oldenburgische Landesbank AG ('OLB'), in the nature of term loan, outstanding € Nil; equivalent to INR Nil (previous year: €2,268,005; equivalent to INR 19,41.19 lacs), carried annual interest at Euribor + 1.75% was repayable in 14 semi-annual instalments of €567,001.34 each, along with interest, commencing from April 2017, was secured by hypothecation of specified Dielectric Film Line and slitter at Barjora and was insured under Hermes export credit guarantee;
- o. Vehicle Loan(s) of INR 29.98 lacs (previous year: INR 70.32 lacs) carrying interest at between 7 to 7.8 % per annum (previous year: 9 to 9.5%) repayable in 36 monthly instalment(s) commencing from date of disbursement, are secured by hypothecation of specified vehicles;
- p. Lenders retain the right to recompense for NPV loss amount of upto INR 3,65.00 lacs arising on rescheduling of term loans effective April 1, 2016;
- q. There has been no default in servicing of loans and interest due thereon during and as at the end of the year;
- r. Loans from Indian banks are further secured by pledge of 15% of promoters equity shareholding in the Company;
- s. Interest accrued on above borrowings is INR 2.12 lacs (March 31, 2022: INR 73.55 lacs).

23. Non-current financial liabilities - Others	(INR lacs)	
	As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Security deposits	6.57	6.57
Total	<u>6.57</u>	<u>6.57</u>
24. Provisions	(INR lacs)	
	As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Employee benefits		
Non-current		
Gratuity (refer Note 39)	18.98	1,93.96
Compensated absences	-	27.83
	<u>18.98</u>	<u>2,21.79</u>

Xpro India Limited : Annual Report 2022/23

25. Deferred tax

A. Components of Income Tax Expense

	Year ended March 31, 2023	(INR lacs) Year ended March 31, 2022
I. Tax expense recognized in the standalone statement of Profit and Loss		
Current tax	7.83	-
Tax adjusted for earlier years	<u>(32.64)</u>	<u>20.12</u>
	(24.81)	20.12
Deferred Tax	<u>14,11.53</u>	<u>(4,54.52)</u>
Total	13,86.72	(4,34.40)

II. Recognized in Other Comprehensive Income

Tax impact on		
- Re-measurement on defined benefit plan	0.06	-
- Change in fair value of tax free bonds	<u>11.62</u>	<u>-</u>
Total	11.68	-

B. Reconciliation of tax expense and the accounting profit

	Year ended March 31, 2023	(INR lacs) Year ended March 31, 2022
Profit before tax	59,23.07	40,58.67
Statutory income tax rate (%)	25.17	25.17
Tax expense at statutory income tax rate	14,90.84	10,21.57
Tax adjustment for earlier years	(32.64)	20.12
Non-deductible expenses	(18.64)	-
Income chargeable at lower tax rate	(13.75)	-
Tax expense	14,25.81	10,41.69
Tax impact of utilisation of brought forward losses	<u>(14,50.62)</u>	<u>(10,21.57)</u>
Current tax	(24.81)	20.12

The carry forward tax losses as at March 31, 2023 are as follows:-

	Losses with no expiry Unabsorbed depreciation (INR lacs)
Loss for the tax assessment year ended	
2017-18	7,66.11
2018-19	10,66.29
2020-21	4,90.51

Deferred tax assets/liabilities (net)

	As at March 31, 2023	(INR lacs) As at March 31, 2022
Deferred tax liability		
Fixed assets:	15,46.41	6,15.28
Impact of difference between book and tax depreciation	<u>15,46.41</u>	<u>6,15.28</u>
Gross deferred tax liability		
Deferred tax assets		
Carried forward losses/unabsorbed depreciation	5,84.68	10,20.98
Provision for employee benefits	4.78	48.82
Investment at fair value through OCI	<u>11.62</u>	<u>-</u>
Gross deferred tax assets	6,01.08	10,69.80
Deferred tax assets to the extent recognized	<u>6,01.08</u>	<u>10,69.80</u>
Net deferred tax asset/(liability)	(9,45.33)	4,54.52

Xpro India Limited : Annual Report 2022/23

Movement in Deferred tax liabilities/assets (net) (INR lacs)

March 31, 2023

Particulars	Balance as at April 1, 2022	Recognised during the year In Standalone Statement of Profit and Loss	In OCI	Balance as at March 31, 2023
Deferred tax liabilities				
Property, plant and equipment	6,15.28	9,31.13	-	15,46.41
	<u>6,15.28</u>	<u>9,31.13</u>	<u>-</u>	<u>15,46.41</u>
Deferred tax assets				
Carry forward of losses	10,20.98	(4,36.30)	-	5,84.68
Provision for employee benefits	48.82	(44.10)	0.06	4.78
Investment at fair value through OCI	-	-	11.62	11.62
	<u>10,69.80</u>	<u>(4,80.40)</u>	<u>11.68</u>	<u>6,01.08</u>
Net deferred tax asset/(liability)	4,54.52	(14,11.53)	11.68	(9,45.33)

March 31, 2022

Particulars	Balance as at April 1, 2021	Recognised during the year In Standalone Statement of Profit and Loss	In OCI	Balance as at March 31, 2023
Deferred tax liabilities				
Property, plant and equipment	3,84.00	2,31.28	-	6,15.28
	<u>3,84.00</u>	<u>2,31.28</u>	<u>-</u>	<u>6,15.28</u>
Deferred tax assets				
Carry forward of losses	3,31.00	6,89.98	-	10,20.98
Provision for employee benefits	53.00	(4.18)	-	48.82
	<u>3,84.00</u>	<u>6,85.80</u>	<u>-</u>	<u>10,69.80</u>
Net deferred tax asset	-	4,54.52	-	4,54.52

26. Current financial liabilities - Borrowings

(INR lacs)

	As at March 31, 2023	As at March 31, 2022
Secured		
Loans repayable on demand		
- Working capital loan from banks	20,41.51	7,40.48
- Current maturities of long term borrowings (refer note 22)	6,06.92	16,59.50
Total	<u>26,48.43</u>	<u>23,99.98</u>

- a) Working Capital loans, repayable on demand, and bearing interest at the rate of between 8.75 to 10.75 % per annum are secured by first charge, ranking pari-passu, in favour of members of the Consortium of Banks, on all current assets of the 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) There has been no default in servicing of loans and interest payable thereon during and as at the end of the year.

27. Current financial liabilities - Trade payables

(INR lacs)

	As at March 31, 2023	As at March 31, 2022
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	1,41.04	1,76.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	36,90.60	37,39.09
Acceptances	12,06.28	18,74.40
Total	<u>50,37.92</u>	<u>57,89.54</u>

- 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 45 for information on the Company's credit risk management processes.
- b) Acceptances include arrangements where operational supplies of goods and services are paid by banks on due date which are normally effected within a period of 90 days from the date of transaction.
- c) Disclosures with respect to related party transactions is given in note 41.

Xpro India Limited : Annual Report 2022/23

d) Micro enterprises and 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. Disclosure pursuant to MSMED Act on the amount due to micro and small enterprises is given below:

	As at <u>March 31, 2023</u>	As at <u>March 31, 2022</u>
Principal amount due and remaining unpaid	1,41.04	1,75.92
Interest due on above and remaining unpaid	-	0.13
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	-	-

e) Trade payables ageing schedule (INR lacs)

Particulars	Unbilled	Outstanding for following periods from due date of payment				Total
		< 1 year	1 – 2 years	2 – 3 years	> 3 years	
<u>March 31, 2023</u>						
i) MSME	-	1,40.56	-	-	-	1,40.56
ii) Others	10,10.50	38,44.35	1.07	0.02	40.94	48,96.88
iii) Disputed Dues - MSME	-	0.48	-	-	-	0.48
iv) Disputed Dues - Others	-	-	-	-	-	-
<u>March 31, 2022</u>						
i) MSME	-	1,76.05	-	-	-	1,76.05
ii) Others	6,16.51	49,59.77	0.34	0.37	36.50	56,13.49
iii) Disputed Dues - MSME	-	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-	-

28. Current financial liabilities – Others

	As at <u>March 31, 2023</u>	As at <u>March 31, 2022</u>
Creditors for capital expenditure	49.61	0.20
Interest accrued but not due	-	10.01
Unpaid dividend	3.69	-
Employees payables	1,90.24	2,22.79
Security deposit received	7.50	7.50
Total	<u>2,51.04</u>	<u>2,40.50</u>

29. Other current liabilities

	As at <u>March 31, 2023</u>	As at <u>March 31, 2022</u>
Revenue received in advance	13.52	1,13.94
Statutory dues payable	5,16.81	2,40.02
Advance against sale of 'assets held for sale'	-	6,78.00
Total	<u>5,30.33</u>	<u>10,31.96</u>

Xpro India Limited : Annual Report 2022/23

	Year ended March 31, 2023	Year ended March 31, 2022
30. Revenue from operations		(INR lacs)
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Sale of products (<i>refer note 47</i>)		
- Finished goods	5,01,89.06	4,58,48.95
Other operating income		
- Scrap sale	3,28.77	3,94.92
- Export incentives and margins	70.75	59.99
- Processing charges	<u>5,08.45</u>	<u>8,68.13</u>
Total	<u>5,10,97.03</u>	<u>4,71,71.99</u>
31. Other income		(INR lacs)
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Interest on		
- Fixed deposits	1,07.05	34.82
- Other financial assets carried at FVTOCI	33.02	5.30
- Others	8.04	8.54
- Income-tax refund	7.89	1.81
Dividend Income	0.08	0.05
Other non-operating income		
- Foreign currency transactions (net)	48.95	-
- Excess provision written back	-	48.85
- Profit on sale of other fixed assets	80.15	-
- Miscellaneous income	<u>99.54</u>	<u>83.56</u>
Total	<u>3,84.72</u>	<u>1,82.93</u>
32. Cost of materials consumed		(INR lacs)
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Inventories at the beginning of the year	25,42.50	23,62.53
Add: Purchases during the year	3,52,16.73	3,29,77.40
Less: Inventories at the end of the year	<u>30,64.19</u>	<u>25,42.50</u>
Cost of materials consumed	<u>3,46,95.04</u>	<u>3,27,97.43</u>
33. Changes in inventories of finished and work-in-progress		(INR lacs)
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Inventories at the beginning of the year		
Finished goods	14,32.75	11,45.98
Work-in-progress	<u>1,79.67</u>	<u>2,29.06</u>
	16,12.42	13,75.04
Inventories at the end of the year		
Finished goods	10,26.78	14,32.75
Work-in-progress	<u>2,70.39</u>	<u>1,79.67</u>
	<u>12,97.17</u>	<u>16,12.42</u>
Net decrease/(increase)	<u>3,15.25</u>	<u>(2,37.38)</u>
34. Employees benefits expense		(INR lacs)
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Salaries, wages & bonus	26,50.41	26,00.74
Contribution to provident and other funds	2,17.59	2,82.69
Staff welfare expenses	<u>1,38.96</u>	<u>1,35.69</u>
Total	<u>30,06.96</u>	<u>30,19.12</u>

Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 39

Xpro India Limited : Annual Report 2022/23

35. Finance costs	Year ended March 31, 2023	Year ended March 31, 2022
		(INR lacs)
	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on borrowings measured at amortised cost	5,92.51	11,80.99
Interest on lease liability	27.36	25.36
Other borrowing costs	1,33.32	94.37
Total	7,53.19	13,00.72
<i>Note: In the current year, interest on cash credit of INR 2,33.36 lacs (previous year: INR 2,41.95 lacs) has been included in "interest expense on borrowings measured at amortised cost" to ensure better presentation. Accordingly corresponding previous year figures have been reclassified. Other borrowing costs includes charges towards letters of credit, bank guarantee, and ancillary costs towards borrowing.</i>		
36. Depreciation and amortisation expenses	Year ended March 31, 2023	Year ended March 31, 2022
		(INR lacs)
	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on tangible assets	11,07.42	11,69.58
Amortisation on right-to-use assets	44.76	37.23
Total	11,52.18	12,06.81
37. Other expenses	Year ended March 31, 2023	Year ended March 31, 2022
		(INR lacs)
	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spares	9,45.92	10,55.32
Processing charges	36.93	35.39
Power & Fuel (refer Note 50)	29,70.48	25,56.96
Rent	31.13	31.62
Repairs to:		
- Buildings	25.57	8.82
- Plant & Machinery	1,91.56	1,86.52
- Others	38.62	24.78
Communication	20.73	19.21
Director's Fees	56.80	40.50
Insurance	1,54.45	1,06.39
Legal & professional	1,28.56	2,05.50
Rates & Taxes	41.62	82.81
Security expenses	78.52	67.39
Travelling and conveyance	2,12.09	1,51.05
Rebate and commission	2,44.03	2,68.44
Payment to Auditors (refer note 'a' below)	27.42	21.72
Other selling expenses	26.17	20.06
Corporate social responsibility (refer Note 43)	47.50	17.70
Loss on disposal/discard of property, plant and equipment	-	29.04
Foreign currency transactions (net)	-	23.29
Miscellaneous expenses	3,57.96	2,57.04
Total	56,36.06	52,09.55
	Year ended March 31, 2023	Year ended March 31, 2022
		(INR lacs)
a) Payment to auditors		
To Statutory Auditors		
- As Auditors	25.00	18.00
- For other matters	0.75	0.75
- Reimbursement of expenses	1.67	2.97
	27.42	21.72

Xpro India Limited : Annual Report 2022/23

38.A) Earnings per share (EPS)	(INR lacs)	
	Year ended	Year ended
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
a) Profit attributable to equity shareholders (A)	45,36.35	44,93.07
b) Weighted average number of equity shares outstanding during the year for computation of Basis EPS (B) *	1,77,41,811	1,77,20,244
Add: impact of convertible warrants	8,84,424	2,19,572
Weighted average number of equity shares outstanding during the year for computation of Diluted EPS (C) *	1,86,26,235	1,79,39,816
Nominal value per share (INR)	10	10
c) Basic earnings per equity share (face value INR10 each) (A/B) (INR)	25.57	25.36
Dilutive earnings per equity share (face value INR 10 each) (A/C) (INR)	24.35	25.05

* Previous year numbers are adjusted for 59,06,755 bonus shares issued during the year

B) Details of Dividends:

Dividend of INR 2 per equity share of face value INR 10 each for the financial year ended March 31, 2022, was approved by shareholders at Annual General Meeting held on June 24, 2022 and was paid on July 4, 2022 with a total appropriation of INR 2,36.27 lacs.

The Board of Directors, at its meeting held on May 22, 2023, has recommended for approval by Members at the ensuing Annual General Meeting a dividend of INR 2 per fully paid-up equity share of INR 10 each for the financial year ended March 31, 2023, and which, if approved, would result in a cash outflow of INR 4,13.44 lacs (assuming full conversion of outstanding convertible warrants into fully paid equity shares, prior to the record date that may be set for the purpose.)

39. Employee benefits

a) 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 INR 98.04 lacs (March 31, 2022: INR 1,39.36 lacs) towards provident fund contributions and ESI contribution in the Standalone Statement of Profit and Loss included in "Employee benefits expense" (note 34).

b) Defined Benefit Plan

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 standalone financial statements as at balance sheet date:

	Year ended	(INR lacs) Year ended
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
(i) Liability recognised in standalone balance sheet		
Present value of the obligation at end of the year	10,60.37	11,02.26
Fair value of plan assets	10,41.39	9,08.30
Net liability recognised in balance sheet as provision	18.98	1,93.96
(ii) Amount recognised in the standalone statement of profit and loss is as under:		
Current service cost	50.54	53.51
Net interest cost	11.35	17.46
Expense recognised in the income statement	61.89	70.97
(iii) Amount recognised in other comprehensive income is as under:		
Actuarial gain/(loss) for the year on defined benefit obligation	(2.68)	(8.41)
Actuarial gain/(loss) for the year on plan assets	2.45	(7.00)
Total actuarial gain/(loss) for the year	(0.23)	(15.41)

Xpro India Limited : Annual Report 2022/23

	Year ended March 31, 2023	(INR lacs) Year ended March 31, 2022
(iv) Movement in the liability recognised in the standalone balance sheet is as under:		
Present value of defined obligation as at start of the year	11,02.26	9,99.00
Current service cost	50.54	53.51
Interest cost	77.38	64.93
Actuarial loss/(gain) recognised during the year	2.68	8.41
Benefits paid	(1,72.49)	(23.59)
Present value of defined benefit obligation as at the end of the year	10,60.37	11,02.26
(v) Movement in the plan assets recognised in the standalone balance sheet is as under:		
Fair value of plan assets at beginning the year	9,08.30	5,92.90
Expected return on plan assets	66.03	47.47
Employer's contribution	1,02.00	2,98.52
Benefits paid	(37.39)	(23.59)
Actuarial gain/(loss) on plan assets	2.45	(7.00)
Fair value of plan assets at the end of the year	10,41.39	9,08.30
Expected return on plan assets	68.48	40.47
(vi) Breakup of actuarial (gain)/loss on defined benefit obligation:		
Actuarial (gain)/loss on arising from change in financial assumption	(5.20)	-
Actuarial (gain)/loss on arising from experience adjustment	7.88	8.41
Total actuarial (gain)/loss for the year	2.68	8.41
(vii) Actuarial assumptions:		
Discount rate (%)	7.02	6.50
Future salary increase (%)	6.00	6.00
Expected average remaining working lives of employees (years)	10.21	13.07
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 (2012-14) 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 %	(21.56)	(26.22)
- Impact due to decrease of 1 %	25.15	30.31
Impact of the change in salary increase		
Effect on present value of gratuity obligation		
- Impact due to increase of 1 %	25.15	30.16
- Impact due to decrease of 1 %	(21.94)	(26.57)
(ix) Expected (undiscounted) benefit payments in future years		
Projections are for current members and their currently accumulated benefits		
Year- 1	7,84.96	7,59.42
Year- 2	13.77	32.43
Year- 3	62.63	30.01
Year- 4	18.18	56.08
Year- 5	44.76	31.83
Year- 6 to Year- 10	1,58.49	2,80.56
(x) Category of plan assets		
LIC managed fund	100 %	100 %
(xi) The Company expects to contribute INR 50 lacs (2022-23: INR 102 lacs) to the funded plan during the financial year 2023-24.		

Provident Fund

Provident fund benefits provided under plans wherein contributions are made to an irrevocable trust set up by the Company to manage the investments and distribute the amounts entitled to employees are treated as a defined benefit plan as the Company is obligated to provide the members a rate of return which should, at the minimum, meet the interest rate declared by Government

Xpro India Limited : Annual Report 2022/23

administered provident fund. A part of the Company's contribution is transferred to Government administered pension fund. The contributions made by the Company and the shortfall of interest, if any, are recognised as an expense in standalone statement of profit and loss under employee benefits expense. During the current year the Company has recognised an amount of INR 179.68 lacs (March 31,2022: INR 86.38 lacs) being the decline in market value of certain investments of the trust.

C. Other long term benefits:

The leave obligations cover the Company's liability for earned leave. The liability towards compensated absences based on the actuarial valuation carried out by using projected accrued benefit method as reduced by the contribution to the plan assets resulted in a net asset of INR 21.34 lacs as on March 31, 2023, and a net liability of INR 27.83 lacs as on March 31, 2022 which have been shown under "Other current assets" and "Provisions" respectively in the Standalone Financial Statements.

40. Contingent Liabilities

	As at <u>March 31, 2023</u>	(INR lacs) As at <u>March 31, 2022</u>
Claims against the Company, not acknowledged as debt	2.50	2.50
Sales tax, Excise & Customs matters under appeal	3,89.24	3,95.10
Others (<i>claims not acknowledged as debt</i>)	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.

41. 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;
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) Central India General Agents Ltd.
 - c) 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, <i>Chairman</i>	(ii) Sri C Bhaskar, <i>Managing Director & CEO</i>
---	--
 - b) Non-executive Independent Directors:

(i) Sri K Balakrishnan (<i>w.e.f. 25/5/2022</i>)	(ii) Sri Amitabha Guha
(iii) Sri Ashok Kumar Jha	(iv) Ms Suhana Murshed (<i>w.e.f. 10/8/2021</i>)
(v) Sri Utsav Parekh	(vi) Sri S Ragothaman
 - c) Non-executive Non-Independent Directors:

(i) Smt Madhushree Birla	(ii) Sri Bharat Jhaver (<i>w.e.f. 25/5/2022</i>)
--------------------------	--
 - d) Others:
 - (i) Sri H Bakshi, *Sr. President & COO*
 - (ii) Sri V K Agarwal, *President (F) & CFO*
 - (iii) Sri Kamal Kishor Sewoda, *Company Secretary (w.e.f. 15/2/2023)*
 - (iv) Sri Amit Dhanuka, *Company Secretary (upto 14/1/2023)*

Xpro India Limited : Annual Report 2022/23

e) Relatives of Key managerial personnel *:

- | | |
|---------------------------------------|---------------------------|
| (i) Sri Sudarshan Kumar Birla | (ii) Smt Sumangala Birla |
| (iii) Sri Sudarshan Kumar Birla (HUF) | (iv) Smt Vasusri Jhaver |
| (v) Smt Meenakshi Apoorva Bajaj | (vi) Smt Usha Ragothaman |
| (vii) Smt Kiran Jhaver | (viii) Smt Mousumi Bakshi |

* with whom the Company had transactions during the current year

B. Terms and conditions of transactions with related parties

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

C. Transactions with Related Parties:

<u>Related Party</u>	<u>Nature of transaction</u>	(INR lacs)	
		<u>Year ended March 31, 2023</u>	<u>Year ended March 31, 2022</u>
Xpro India Ltd. Employees Provident Fund Trust	Employer's contribution to post employment benefit fund	1,79.68	56.95
Xpro India Ltd. Senior Officers Superannuation Fund	Contribution to post employment benefit fund (with LIC)	61.67	59.20
Xpro India Ltd. Employees Gratuity Fund	Contribution to post employment benefit fund (with LIC)	1,02.00	2,98.52
iPro Capital Limited	Dividend paid	58.80	-
	Bonus shares issued (face value of INR 10 each)	1,47.00	-
Intellipro Finance Pvt. Ltd.	Dividend	46.10	-
	Bonus shares issued (face value of INR 10 each)	1,15.25	-
Central India General Agents Ltd.	Proceeds from warrants	14,97.33	4,99.11
	Issue of equity shares (face value of INR 10 each)	26.20	-
	Bonus shares issued (face value of INR 10 each)	13.10	-
Sri Sidharth Birla	Remuneration (including leave encashment)	1,34.20	1,07.81
	Dividend paid	2.04	-
	Bonus shares issued (face value of INR 10 each)	5.09	-
Sri C Bhaskar	Remuneration (including leave encashment)	1,56.33	1,43.52
	Dividend paid	1.15	-
	Bonus shares issued (face value of INR 10 each)	2.89	-
	Payable amount at year end	-	8.75
Sri K Balakrishnan	Sitting Fees	5.00	-
Sri Amitabha Guha	Sitting Fees	9.40	8.65
Sri Ashok Kumar Jha	Sitting Fees	7.00	6.50
Ms. Suhana Murshed	Sitting Fees	6.00	4.50
Sri Utsav Parekh	Sitting Fees	8.90	6.90
	Dividend paid	0.01	-
	Bonus shares issued (face value of INR 10 each)	0.03	-
Sri S Ragothaman	Sitting Fees	9.50	7.95
	Dividend paid	1.37	-
	Bonus shares issued (face value of INR 10 each)	3.42	-
Smt Madhushree Birla	Sitting Fees	6.00	6.00
	Dividend paid	2.00	-
	Bonus shares issued (face value of INR 10 each)	5.01	-
Sri Bharat Jhaver	Sitting Fees	5.00	-
Sri H Bakshi	Remuneration	1,25.31	1,31.38
	Dividend paid	0.20	-
	Bonus shares issued (face value of INR 10 each)	0.51	-
Sri V K Agarwal	Remuneration	98.36	94.22
	Dividend paid	0.17	-
	Bonus shares issued (face value of INR 10 each)	0.42	-
Sri Kamal Kishor Sewoda	Remuneration	2.35	-
Sri Amit Dhanuka	Remuneration	15.61	20.35
Sri Sudarshan Kumar Birla	Dividend paid	0.01	-
	Bonus shares issued (face value of INR 10 each)	0.03	-

Xpro India Limited : Annual Report 2022/23

Related Party	Nature of transaction	(INR lacs)	
		Year ended <u>March 31, 2023</u>	Year ended <u>March 31, 2022</u>
Smt Sumangala Birla	Dividend paid	0.03	-
	Bonus shares issued (<i>face value of INR 10 each</i>)	0.08	-
Sri Sudarshan Kumar Birla (HUF)	Dividend paid	Neg.	-
	Bonus shares issued (<i>face value of INR 10 each</i>)	0.01	-
Smt Vasusri Jhaver	Dividend paid	1.05	-
	Bonus shares issued (<i>face value of INR 10 each</i>)	2.62	-
Smt Meenakshi Apoorva Bajaj	Dividend paid	3.50	-
	Bonus shares issued (<i>face value of INR 10 each</i>)	8.75	-
Smt Usha Ragothaman	Dividend paid	0.07	-
	Bonus shares issued (<i>face value of INR 10 each</i>)	0.18	-
Smt Kiran Jhaver	Dividend paid	0.10	-
	Bonus shares issued (<i>face value of INR 10 each</i>)	0.25	-
Smt Mousumi Bakshi	Dividend paid	Neg.	-
	Bonus shares issued (<i>face value of INR 10 each</i>)	Neg.	-

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

- D. No balances were outstanding at the end of the current or previous year from/to any of the Related parties, other than as stated above.
- E. Related party relationships have been identified by the management and relied upon by the auditors.

42. 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 INR 1,73,54.77 lacs (previous year: INR 1,32,64.60 lacs) was derived from two external customers each accounting for over ten percent of the revenue.

43. CSR Expenditure

	Year ended <u>March 31, 2023</u>	(INR lacs) Year ended <u>March 31, 2022</u>
i) Gross amount required to be spent during the year as per provisions of Section 135 of the Companies Act 2013	36.90	10.84
ii) Amount spent during the year on the following:		
a) Construction/acquisition of any asset	-	-
b) On purposes other than (a) above	54.36	17.70
iii) Excess amount spent as per Section 135 of the Companies Act 2013		
Carried forward Opening balance	6.86	-
Amount required to be spent during the year	36.90	10.84
Amount spent during the year	47.50	17.70
Carried forward Closing balance	17.46	6.86
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	<i>Not applicable</i>	<i>Not applicable</i>
vi) Nature of CSR Activities:		
Areas selected from those identified and prescribed under the Companies Act, 2013. The Company has adopted a policy to support duly registered and qualified external bodies including NGOs or Government relief funds including through financial contribution. Activities supported during the current year included promoting education/special education, health-care, employment enhancing vocational skills especially among children, women and the differently abled (previous year: contribution to PM Cares Fund and Covid-19 related activities)		
vii) The Company does not carry any provisions for CSR expenses for the current year and previous year;		
viii) The Company intends to carry forward the excess amount of INR 17.46 lacs spent during the year (2021-22: INR 6.86 lacs);		

44. 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.

Xpro India Limited : Annual Report 2022/23

Fair Value hierarchy

Financial assets and financial liabilities measured at fair value in the standalone balance sheet 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.

Particulars	Fair value hierarchy	Valuation technique	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
Financial asset measured at FVTOCI				
Investment in Tax Free Bonds	Level 1	Market valuation technique: The fair value of the bond is based on direct and market observable inputs	Not applicable	Not applicable

Financial instrument by category measured at amortised cost (INR lacs)

Particulars	March 31, 2023		March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
- Trade Receivables	50,98.39	50,98.39	66,34.46	66,34.46
- Cash & cash equivalents	12.43	12.43	18,65.85	18,65.85
- Other bank balances	30,01.11	30,01.11	4,77.30	4,77.30
- Loans	34.57	34.57	22.86	22.86
- Other financial asset	3,53.52	3,53.52	5,36.51	5,36.51
Total	85,00.02	85,00.02	95,36.98	95,36.98
Financial liabilities				
- Borrowings	36,04.80	36,04.80	87,70.91	87,70.91
- Other financial liabilities	2,57.61	2,57.61	2,47.07	2,47.07
- Trade payables	50,37.92	50,37.92	57,89.54	57,89.54
- Lease liabilities	2,63.39	2,63.39	2,17.82	2,17.82
Total	91,63.72	91,63.72	1,50,25.34	1,50,25.34

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 method and assumptions were used to estimate the fair values:

(i) 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.

45. Financial risk management

i) Financial instrument by category (INR lacs)

Particulars	March 31, 2023			March 31, 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
- Investments	-	4,64.83	1.50	-	4,97.86	1.50
- Trade receivable	-	-	50,98.39	-	-	66,34.46
- Cash and cash equivalent	-	-	12.43	-	-	18,65.85
- Other Bank balances	-	-	30,01.11	-	-	4,77.30
- Loans	-	-	34.57	-	-	22.86
- Other financial assets	-	-	3,53.52	-	-	5,36.51
Total	-	4,64.83	85,01.52	-	4,97.86	95,38.48

Xpro India Limited : Annual Report 2022/23

Particulars	(INR lacs)					
	<u>March 31, 2023</u>			<u>March 31, 2022</u>		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
- Borrowings	-	-	36,04.80	-	-	87,70.91
- Trade payables	-	-	50,37.92	-	-	57,89.54
	-	-	<u>2,57.61</u>	-	-	<u>2,47.07</u>
Total	-	-	89,00.33	-	-	1,48,07.52

Note: Investment in subsidiaries as at the close of year ended March 31, 2023 and March 31, 2022 respectively are carried at cost, per the exemption availed by the Company; hence not considered herein.

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 standalone 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:

<u>Asset group</u>	<u>Basis of categorisation</u>	<u>Provision for expected credit loss</u>
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables, investment in subsidiary 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 -

<u>Credit rating</u>	<u>Particulars</u>	<u>As at</u>	<u>As at</u>
		<u>March 31, 2023</u>	<u>March 31, 2022</u>
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables, investment in subsidiary and other financial assets	85,01.52	95,38.48

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.

Xpro India Limited : Annual Report 2022/23

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.

<u>Particulars</u>	<u>Estimated gross carrying amount at default</u>	<u>Expected probability of default</u>	<u>Expected credit losses</u>	(INR lacs)
				<u>Carrying amount net of impairment provision</u>
<u>March 31, 2023</u>				
Investments	5,17.33	10 %	51.00	4,66.33
Loans	34.57	0 %	-	34.57
Trade receivables	50,98.39	0 %	-	50,98.39
Cash and cash equivalents	12.43	0 %	-	12.43
Other bank balances	30,01.11	0 %	-	30,01.11
Other financial assets	3,53.52	0 %	-	3,53.52
<u>March 31, 2022</u>				
Investments	5,50.36	9 %	51.00	4,99.36
Loans	22.86	0 %	-	22.86
Trade receivables	66,34.46	0 %	-	66,34.46
Cash and cash equivalents	18,65.85	0 %	-	18,65.85
Other bank balances	4,77.30	0 %	-	4,77.30
Other financial assets	5,36.51	0 %	-	5,36.51

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.

<u>Particulars</u>	(INR lacs)	
	<u>As at March 31, 2023</u>	<u>As at March 31, 2022</u>
Gross amount of trade receivables where no default has occurred	50,98.39	66,34.46
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.

Xpro India Limited : Annual Report 2022/23

Particulars	(INR lacs)			
	< 1 year	1 - 5 years *	>5 years	Total
As at March 31, 2023				
Borrowings	26,48.43	9,56.37	-	36,04.80
Trade payables	50,37.92	-	-	50,37.92
Lease liabilities	36.44	2,26.95	-	2,63.39
Financial liabilities	2,51.04	6.57	-	2,57.61
Total	79,73.83	11,89.89	-	91,63.72
As at March 31, 2022				
Borrowings	23,99.98	63,70.93	-	87,70.91
Trade payables	57,89.54	-	-	57,89.54
Lease liabilities	22.89	1,42.69	52.24	2,17.82
Financial liabilities	2,40.50	6.57	-	2,47.07
Total	84,52.91	65,20.19	52.24	1,50,25.34

*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, 2023	As at March 31, 2022
Financial liabilities			
Payable on imports	USD	14,55,180	24,54,180
Borrowings	Euro	-	2,279,707
Financial assets			
Receivables on export	USD	1,64,635	1,228,594
	Euro	1,16,233	162,009

Sensitivity

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

Particulars	(INR lacs)	
	As at March 31, 2023	As at March 31, 2022
USD sensitivity		
INR/USD - increase by 2 %	(21.19)	(18.88)
INR/USD - decrease by 2 %	21.19	18.88
Euro sensitivity		
INR/Euro - increase by 2 %	2.08	(36.32)
INR/Euro - decrease by 2 %	(2.08)	36.32

Interest rate risk

Liabilities

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

Xpro India Limited : Annual Report 2022/23

Interest rate risk exposure

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

<u>Particulars</u>	(INR lacs)	
	As at <u>March 31, 2023</u>	As at <u>March 31, 2022</u>
Variable rate borrowings	36,04.80	87,70.91
Fixed rate borrowings	-	-
Total borrowings	36,04.80	87,70.91

Sensitivity

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

<u>Particulars</u>	(INR lacs)	
	Year ending <u>March 31, 2023</u>	Year ending <u>March 31, 2022</u>
Interest sensitivity		
Interest rates - increase by 1 %	36.05	1,30.07
Interest rates - decrease by 1 %	(36.05)	(1,30.07)

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.

<u>Particulars</u>	(INR lacs)	
	Year ending <u>March 31, 2023</u>	Year ending <u>March 31, 2022</u>
Long-term borrowings	9,56.37	63,70.93
Current maturities of long-term borrowings	6,06.92	16,59.50
Short-term borrowings	20,41.51	7,40.48
Interest accrued but not due on borrowings	-	10.01
Total borrowings	36,04.80	87,80.92
Less: Cash and cash equivalents	12.43	18,65.85
Less: Bank balance other than above	30,01.11	4,77.30
Net debts	5,91.26	64,37.77
Total equity *	2,33,55.03	1,72,02.02
Net debt to equity ratio	2.53 %	37.42 %

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

46. 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.

Xpro India Limited : Annual Report 2022/23

- 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	2	4 - 5	4.75
Land	3	69 - 83	76.66

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 Standalone Balance Sheet and Standalone Statement of Profit and Loss:**

The balance sheet shows the following amounts relating to leases:

	(INR lacs)		
	Category of right-of-use assets		
	Land	Building	Total
Balance as at April 1, 2021	6,86.93	1,98.39	8,85.32
Add: Additions	33.13	-	33.13
Less: Amortisation charged on the right-of-use assets	8.89	28.34	37.23
Balance as at March 31, 2022	7,11.17	1,70.05	8,81.22
Add: Additions	-	73.63	73.63
Less: Amortisation charged on the right-of-use assets	8.89	35.87	44.76
Balance as at March 31, 2023	7,02.28	2,07.81	9,10.09
	Movement in lease liabilities		
	Land	Building	Total
Balance as at April 1, 2021	-	2,31.64	2,31.64
Add: Interest expense on lease liabilities	-	25.36	25.36
Less: Lease rental paid	-	39.18	39.18
Balance as at March 31, 2022	-	2,17.82	2,17.82
Add: Additions	-	73.44	73.44
Add: Interest expense on lease liabilities	-	27.36	27.36
Less: Lease rental paid	-	55.23	55.23
Balance as at March 31, 2023	-	2,63.39	2,63.39

- g. **Amount recognised in Standalone Statement of Profit and Loss:**

Particulars	(INR lacs)	
	As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
i) Amortisation of right-of-use assets (classified under Depreciation and amortisation expense)	44.76	37.23
ii) Interest on lease liabilities (classified under Finance costs)	27.36	25.36
iii) Expenses related to short term leases (classified under Other expenses)	31.13	31.62

- h. The total cash outflow for leases for the year ended March 31, 2023 was INR 55.23 lacs (March 31, 2022: INR 39.18 lacs)

- i. **Lease liabilities included in Standalone Balance Sheet:**

Particulars	(INR lacs)	
	As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Current	36.44	22.89
Non-current	2,26.95	1,94.93

Xpro India Limited : Annual Report 2022/23

j. Future minimum lease payments are as follows: (INR lacs)

As on March 31, 2023

<u>Minimum lease payments due:</u>	<u>Lease Payments</u>	<u>Finance charges</u>	<u>Net present value</u>
Within 1 year	64.23	(27.79)	36.44
1 - 2 years	65.13	(23.45)	41.68
2 - 3 years	75.28	(17.95)	57.33
3 - 4 years	76.27	(11.13)	65.14
4 - 5 years	66.37	(3.57)	62.80
After 5 years	-	-	-
Total	3,47.28	(83.89)	2,63.39

As on March 31, 2022

<u>Minimum lease payments due:</u>	<u>Lease Payments</u>	<u>Finance charges</u>	<u>Net present value</u>
Within 1 year	46.23	(23.34)	22.89
1 - 2 years	46.23	(20.64)	25.59
2 - 3 years	46.23	(17.60)	28.63
3 - 4 years	55.48	(13.72)	41.76
4 - 5 years	55.48	(8.77)	46.71
After 5 years	55.48	(3.24)	52.24
Total	3,05.13	(87.31)	2,17.82

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 Company's revenue from contract with customers is set out below:

	Year ended <u>March 31, 2023</u>	Year ended <u>March 31, 2022</u>
Revenue from contracts with customers		
(i) Sale of products:		
(a) Coextruded sheets, cast films and liners	3,45,53.62	3,32,97.20
(b) Biaxially oriented films	1,56,35.44	1,25,51.75
(ii) Other operating income	9,07.97	13,23.04
Total revenue covered under Ind AS 115	5,10,97.03	4,71,71.99

B. Contract balances

Information about contract liabilities and receivables from contract with customers:

	Year ended <u>March 31, 2023</u>	Year ended <u>March 31, 2022</u>
Contract liabilities		
Advance received from customers	13.52	1,13.94
Total contract liabilities	13.52	1,13.94
Receivables		
Trade receivables	50,98.39	66,34.46
Total receivables	50,98.39	66,34.46

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

	As at <u>March 31, 2023</u>	As at <u>March 31, 2022</u>
Contract liabilities - Advance received from customers		
Opening balance	1,13.94	10.75
Addition during the year	13.52	1,13.94
Revenue recognized during the year	(1,13.94)	(10.75)
Closing balance	13.52	1,13.94

D. Refer Note No.42 for disclosure regarding two external customers each accounting for over ten percent of the revenue.

Xpro India Limited : Annual Report 2022/23

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

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

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

Payment terms with customers vary depending upon the contractual terms of each contract and generally falls in the range of 0 to 120 days from the completion of performance obligation.

48. Pursuant to the special resolution passed at the Extraordinary General Meeting held on December 29, 2021, and relevant regulatory provisions, the Company issued and allotted on January 11, 2022 by way of preferential allotment 19,68,000 warrants at a price of INR 762 each, each warrant carrying a right upon being fully paid-up within a period of 18 months from date of allotment to subscribe to one equity share of face value INR10 of the Company (including premium of INR 752 each). The Company received allotment money of INR 37,49.04 lacs, being 25% of the total warrant price in 2021-22. Promoter group warrant holders, holding 3,28,000 warrants exercised their option in full on payment of the balance 75% (INR 18,74.52 lacs) during the year. As per the offer letter, the issue proceeds may be utilized for growth capital and expansion/diversification requirements (whether organic or inorganic), to meet capital expenditure, to reduce borrowings, to enhance long-term resources and strengthen the financial structure, for meeting working capital requirements and for other general corporate purposes and purposes permitted by applicable laws. The proceeds of the said issue are being fully utilized for the purposes stated.

49. Ratios

Ratio	Ratio Formula	Year 2022-23	Year 2021-22	Variance (%)	Explanation for variance
a) Current ratio	<i>Current assets / Current liabilities</i>	1.55	1.53	-	-
b) Debt-equity ratio	<i>Total debt / Shareholder's equity (excluding lease liabilities)</i>	0.15	0.51	(69.76)	Repayment of term loans; lower working capital borrowing, profit earned and infusion of capital
c) Debt service coverage ratio	<i>Earnings available for Debt Service (i.e. net profit after taxes + interest and lease payment + depreciation and amortization expenses + loss on sale of PPE) / Debt Service (i.e. Interest and lease payments + principal repayments during the year)</i>	0.88	1.18	(25.42)	Increase in operating profitability, with accelerated reduction in debt, including through pre-payment
d) Return on equity (%)	<i>Profit for the year / Avg. shareholder's equity</i>	22.37	34.31	(34.80)	Increase in profitability along with increase in equity
e) Inventory turnover ratio	<i>Cost of goods sold / Average inventory</i>	7.53	7.51	-	-
f) Trade receivables turnover ratio	<i>Revenue from operations / Average trade receivables</i>	8.71	7.11	22.50	Higher revenue together with improved collection of outstanding trade receivables
g) Trade payables turnover ratio	<i>Purchase of raw materials / Average trade payables</i>	6.51	5.07	28.38	Higher purchase value together with lower average payable
h) Net capital turnover ratio	<i>Revenue from operations / Working capital (i.e. Current assets - current liabilities)</i>	10.88	9.38	16.01	Increase in revenue along with decrease in working capital
i) Net profit before tax ratio (%)	<i>Profit before tax for the year / Revenue from operations</i>	11.60	8.60	34.88	Increase in profitability, together with higher value-added products, and optimisation of product & customer mix

Xpro India Limited : Annual Report 2022/23

Ratio	Ratio Formula	Year 2022-23	Year 2021-22	Variance (%)	Explanation for variance
j) Net profit ratio (%)	<i>Profit for the year / Revenue from operations</i>	8.88	9.52	(6.79)	Increase in profitability, together with higher value-added products, and optimisation of product & customer mix, off-set by increase in deferred tax expense
k) Return on capital employed (%)	<i>Earning before interest & taxes / Capital employed (i.e. total equity + borrowings including accrued interest)</i>	24.76	20.63	20.02	Increase in profitability
l) Return on investment (%)	<i>Income earned on investment / average investment</i>	6.46	6.46	-	-

50. During the year West Bengal Electricity Regulatory Commission (WBERC) fixed the power tariff of Damodar Valley Corporation (DVC) for 2017-18 & onwards following which DVC raised a retrospective demand of INR 315.60 lacs on one of the units of the Company. While the demand has been challenged, the Company has made provision for the entire demand in the books of accounts.

51. Significant events after the reporting period

The Board of Directors has recommended a dividend of INR 2.00 per share for the year 2022-23, (March 31, 2022 - INR 2.00 per share) subject to approval by the shareholders at the ensuing Annual General Meeting of the Company; No liability has been recognised as at March 31, 2023 (Nil as at March 31, 2022).

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

52. Additional Regulatory Information:

- a. There are no immovable properties where the title deeds are not held in the name of the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company);
- b. There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and related parties, either severally or jointly with another person, that are (i) repayable on demand or (ii) without specifying any terms or period of repayment;
- c. The Company does not have any Benami property, and no proceedings have been initiated or is pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988;
- d. The Company has been regular in filling quarterly returns or statements of current assets with banks and those are in agreement with the books of accounts;
- e. The Company has not been declared a wilful defaulter by any bank or financial institution;
- f. The Company has no transactions with companies struck off under Sec.248 of the Companies Act, 2013 or Sec. 560 of the Companies Act, 1956;
- g. The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period;
- h. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year;
- i. The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017;
- j. The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- k. The Company does not have any scheme of arrangement which needs to be accounted for in the books of accounts of the Company;
- l. The Company has not advanced, loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or (ii) provide any guarantee, security or the like to or on behalf of the Company;

Xpro India Limited : Annual Report 2022/23

- m. The Company has not received any funds from any person(s) or entity(ies), including foreign entities with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or (ii) provide any guarantee, security or the like to or on behalf of the Company;
- n. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
53. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its standalone financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
54. Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.
55. The audited standalone financial results along with the report thereon are also available on the Company's website www.xproindia.com and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
56. The standalone financial statements were approved for issue by the Board of Directors at their meeting held at New Delhi on May 22, 2023.

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

For and on behalf of the Board

Ashish Gera
Partner
Membership No. 508685
New Delhi
May 22, 2023

Kamal Kishor Sewoda
Company Secretary

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

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director &
Chief Executive Officer
(DIN: 00003343)

Xpro India Limited : Consolidated Annual Report 2022/23

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 subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2023, 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 notes to the consolidated financial statements, including 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 subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2023, 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 Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules 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 together with the audit evidence obtained by the other auditor in terms of their report referred to in paragraph 15 of the Other Matter 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 reports of the other auditors on separate financial statements of the subsidiary, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
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
1) Revenue Recognition Refer note 4(l) of Summary of significant accounting policies and other explanatory information and the note 46 of the consolidated financial statements of the Company for the year ended 31 March 2023. The Revenues of the Holding Company consists primarily of sale of products and is recognized when control of products being sold is transferred to the customer and there is no unfulfilled obligation.	Our key audit procedures included, but were not limited to, the following procedures: a) Assessed the appropriateness of the Group's revenue recognition accounting policies in accordance with Ind AS 115 - Revenue from contracts with customers; b) Tested the design and operating effectiveness of the control environment for recognition of revenue; c) Performed analytical procedures on revenue;

Xpro India Limited : Consolidated Annual Report 2022/23

Key audit matter	How our audit addressed the key audit matter
<p>Revenue is measured at fair value of the consideration received or receivable and is accounted for net of rebates and trade discounts.</p> <p>The Holding Company focuses on revenue as a key performance measure. Considering the materiality of amounts involved, the same has been considered as a key audit matter for the current year's audit.</p>	<p>d) Tested, on a sample basis, sales transactions to the underlying supporting documentation which includes goods dispatch notes and shipping documents;</p> <p>e) Reviewed, on a sample basis, sales agreements and the underlying contractual terms related to delivery of goods and rebates to assess the Group's revenue recognition policies with reference to the requirements of the applicable accounting standards;</p> <p>f) Performed other substantive audit procedures including obtaining debtor confirmations on a sample basis and reconciling revenue recorded during the year with statutory returns;</p> <p>g) Ensured the adequacy and appropriateness of disclosures made in the consolidated financial statements in accordance with the requirements of Ind AS 115.</p>

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 are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of 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

Xpro India Limited : Consolidated Annual Report 2022/23

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 respective 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 Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal 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 Board of Directors' 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; and
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated 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 entity included in the financial statements, which has been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. 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.

Xpro India Limited : Consolidated Annual Report 2022/23

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

Other Matter

15. We did not audit the financial statements of one subsidiary, whose financial statements reflects total assets of ₹2.80 lacs and net assets of ₹2.18 lacs as at 31 March 2023, total revenues of Nil and net cash outflows amounting to ₹2.63 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 reports 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 matters with respect to our reliance on the work done by and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and on the consideration of the report of the other auditor, referred to in paragraph XX, on separate financial statements of the subsidiary, we report that the Holding Company incorporated in India whose financial statements have been audited under the Act have 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, incorporated in India whose financial statements have been audited under the Act have 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.
17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order report issued by us and by the respective other auditor as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
18. As required by section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary, incorporated in India whose financial statements have been audited under the Act, 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 reports 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 read with the Companies (Indian Accounting Standards) Rules, 2015;
 - 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 report of the statutory auditor of its subsidiary company, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act.

Xpro India Limited : Consolidated Annual Report 2022/23

- 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' wherein we have expressed an 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 and based on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary incorporated in India whose financial statements have been audited under the Act:
 - 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 subsidiary company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, covered under the Act, during the year ended 31 March 2023;
 - iv.
 - a. The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, respectively that, to the best of their knowledge and belief, as disclosed in note 52(l) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary company, to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary company, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The respective managements of the Holding Company and its subsidiary company, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, respectively that, to the best of their knowledge and belief, as disclosed in the note 52(m) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary company, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed by us and that performed by the auditor of the subsidiary, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditor to believe that the management representations under sub-clauses (iv)(a) and (iv)(b) above contain any material misstatement.
 - v. The final dividend paid by the Holding Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend and as stated in note 37(b) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

Xpro India Limited : Consolidated Annual Report 2022/23

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

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

Ashish Gera
Partner
Membership No. 508685
UDIN: 23508685BGYCQY2028
Place: Delhi
Date: 22 May 2023

Annexure 1

List of entities included in the consolidated financial statements:

Name of Holding Company:

- a. Xpro India Limited

Name of Subsidiary Company:

- b. Xpro Global Limited

Xpro India Limited : Consolidated Annual Report 2022/23

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 2023

Annexure 2

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

1. In conjunction with our audit of the consolidated financial statements of Xpro India Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies 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 are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 Consolidated 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 consolidated 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated 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 consolidated 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 Consolidated Financial Statements

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

Xpro India Limited : Consolidated Annual Report 2022/23

and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Opinion

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 are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to the consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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 company covered under the Act, whose financial statements reflect total assets of ₹ 2.80 lacs and net assets of ₹ 2.18 lacs as at 31 March 2023, total revenues of ₹ Nil and net cash outflows amounting to ₹ (2.63) 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 has 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

Ashish Gera
Partner
Membership No. 508685
UDIN: 23508685BGYCQY2028

Place: Delhi
Date: 22 May 2023

Xpro India Limited : Consolidated Annual Report 2022/23

<u>CONSOLIDATED BALANCE SHEET as at March 31, 2023</u>	Note No.	As at March 31, 2023	(INR lacs) As at March 31, 2022
ASSETS			
Non-Current assets			
a. Property, plant and equipment	5 (a)	1,50,81.26	1,59,35.83
b. Right-of-use assets	45 (f)	9,10.09	8,81.22
c. Capital work-in-progress	5 (b)	2,61.20	37.30
d. Other intangible assets	6	-	-
e. Financial assets - Investments	7	4,64.83	4,97.86
- Loans	8	22.13	13.45
- Other financial assets	9	3,41.43	4,53.79
f. Deferred tax assets (net)	24	-	4,54.52
g. Non-current tax assets (net)	10	1,71.80	2,56.06
h. Other non-current assets	11	35,57.43	4,33.56
		<u>2,08,10.17</u>	<u>1,89,63.59</u>
Current assets			
a. Inventories	12	47,32.13	45,64.23
b. Financial assets - Trade receivables	13	50,98.39	66,34.46
- Cash and cash equivalents	14	15.16	18,71.19
- Bank balances other than cash and cash equivalents	15	30,01.11	4,77.30
- Loans	16	12.44	9.41
- Other financial assets	17	12.09	82.72
c. Other current assets	18	3,33.20	3,61.01
		<u>1,32,04.52</u>	<u>1,40,00.32</u>
Assets held for sale	19	-	5,21.46
Total Assets		<u>3,40,14.69</u>	<u>3,34,85.37</u>
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	20 A	18,21.22	11,81.35
b. Other equity	20 B	2,15,34.49	1,60,21.29
Total equity		<u>2,33,55.71</u>	<u>1,72,02.64</u>
Liabilities			
Non-Current liabilities			
a. Financial liabilities			
Borrowings	21	9,56.37	63,70.93
Lease liabilities	45	2,26.95	1,94.93
Other financial liabilities	22	6.57	6.57
b. Provisions	23	18.98	2,21.79
c. Deferred tax liabilities (net)	24	9,45.33	-
		<u>21,54.20</u>	<u>67,94.22</u>
Current liabilities			
a. Financial liabilities			
Borrowings	25	26,48.43	23,99.98
Lease liabilities	45	36.44	22.89
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	26	1,41.04	1,76.05
- total outstanding dues of creditors other than micro enterprises and small enterprises	26	48,97.50	56,17.13
Other financial liabilities	27	2,51.04	2,40.50
b. Other current liabilities	28	5,30.33	10,31.96
		<u>85,04.78</u>	<u>94,88.51</u>
Total liabilities		<u>1,06,58.98</u>	<u>1,62,82.73</u>
Total Equity and liabilities		<u>3,40,14.69</u>	<u>3,34,85.37</u>

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

In terms of our report of even date attached

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

Ashish Gera
Partner
Membership No. 508685
New Delhi, May 22, 2023

Kamal Kishor Sewoda
Company Secretary

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

For and on behalf of the Board

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director &
Chief Executive Officer
(DIN: 00003343)

Xpro India Limited : Consolidated Annual Report 2022/23

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the Year ended March 31, 2023

	Note No.	Year ended March 31, 2023	(INR lacs) Year ended March 31, 2022
Revenue			
- Revenue from operations	29	5,10,97.03	4,71,71.99
- Other income	30	<u>3,85.55</u>	<u>1,83.89</u>
Total income		5,14,82.58	4,73,55.88
Expenses			
- Cost of materials consumed	31	3,46,95.04	3,27,97.43
- Changes in inventories of finished goods and work-in-progress	32	3,15.25	(2,37.37)
- Employee benefits expense	33	30,06.96	30,19.13
- Finance costs	34	7,53.19	13,00.72
- Depreciation and amortisation expense	35	11,52.18	12,06.81
- Other expenses	36	<u>56,36.88</u>	<u>52,10.38</u>
Total expenses		4,55,59.50	4,32,97.10
Profit before tax		<u>59,23.08</u>	<u>40,58.78</u>
Tax expense	24		
- Current tax		7.83	-
- Deferred tax expense/(credit)		14,11.53	(4,54.52)
- Tax adjusted for earlier years		<u>(32.69)</u>	<u>20.12</u>
Total tax expense		<u>13,86.67</u>	<u>(4,34.40)</u>
Profit for the year		45,36.41	44,93.18
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(0.23)	(15.41)
- Income tax relating to items that will not be reclassified to profit or loss		0.06	-
Items that will be reclassified to profit or loss			
- Change in fair value of tax free bonds		(33.04)	(13.12)
- Income tax relating to items that will be reclassified to profit or loss		<u>11.62</u>	<u>-</u>
Other comprehensive income for the year, net of tax		(21.59)	(28.53)
Total comprehensive income for the year (comprising profit after tax and other comprehensive income for the year)		45,14.82	44,64.65
Profit for the year attributable to			
- Owners of the Company		45,36.41	44,93.18
- Non-controlling interest		-	-
Other comprehensive income for the year attributable to			
- Owners of the Company		(21.59)	(28.53)
- Non-controlling interest		-	-
Total comprehensive income for the year attributable to			
- Owners of the Company		45,14.82	44,64.65
- Non-controlling interest		-	-
Earnings per equity share (of INR 10/- each)	37		
- Basic (INR)		25.57	25.36
- Diluted (INR)		24.35	25.05

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

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

Ashish Gera
Partner
Membership No. 508685
New Delhi
May 22, 2023

Kamal Kishor Sewoda
Company Secretary

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

For and on behalf of the Board

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director &
Chief Executive Officer
(DIN: 00003343)

Xpro India Limited : Consolidated Annual Report 2022/23

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year ended March 31, 2023

	Year ended <u>March 31, 2023</u>	(INR lacs) Year ended <u>March 31, 2022</u>
A. Cash flow from operating activities		
Net profit before tax	59,23.08	40,58.78
Adjustments for:		
Depreciation and amortisation (net)	11,52.18	12,06.81
Excess provision written back	(0.15)	(49.56)
Interest income	(1,56.03)	(50.71)
Finance costs	7,53.19	13,00.72
Gain/Loss on sale of property, plant and equipment	(80.15)	29.04
Dividend income	(0.08)	(0.05)
Operating profit before working capital changes	<u>75,92.04</u>	<u>64,95.03</u>
Movement in financial assets	4.93	32.46
Movement in trade receivables	15,36.07	3.65
Movement in other assets	24.95	(1,78.08)
Movement in inventories	(1,67.90)	(4,60.44)
Movement in financial liabilities	(7,87.04)	(13,48.77)
Movement in other liabilities	1,76.37	6,13.54
Movement in provisions	(2,03.04)	(2,23.27)
Cash flow generated from operations (gross)	<u>81,76.38</u>	<u>49,34.12</u>
Income tax paid (net)	1,09.12	(72.00)
Net cash flow generated from operating activities (A)	<u>82,85.50</u>	<u>48,62.12</u>
B. Cash flow from investing activities		
Purchase of property, plant and equipment, right-of-use assets and intangible assets (including adjustment on account of capital work-in-progress, capital advances and capital creditors)	(36,31.88)	(6,54.38)
Investment in tax-free bonds	-	(5,10.99)
Proceeds from sale of property, plant and equipment	76.50	1,34.34
Dividend received	0.08	0.05
Interest received	1,56.03	39.20
Investment in fixed deposits	(24,28.26)	(54.08)
Net cash flow used in investing activities (B)	<u>(58,27.53)</u>	<u>(10,45.86)</u>
C. Cash flow from financing activities		
Proceeds from convertible warrants	18,74.52	37,49.04
Dividend paid	(2,32.58)	-
Principal payment of lease liabilities	(27.87)	(13.82)
Interest payment of lease liabilities	(27.36)	(25.36)
Proceeds from long-term borrowings	-	4,86.93
Repayment of long-term borrowings	(54,13.32)	(38,43.10)
Proceeds/Repayment of short-term borrowings (net)	2,48.45	(11,88.40)
Interest paid/finance cost	(7,35.84)	(12,81.05)
Net cash flow used in financing activities (C)	<u>(43,14.00)</u>	<u>(21,15.76)</u>
Net decrease/increase in cash and cash equivalents (A+B+C)	<u>(18,56.03)</u>	<u>17,00.50</u>
Cash and Cash Equivalents at the beginning of the year	<u>18,71.19</u>	<u>1,70.69</u>
Cash and Cash Equivalents at the end of the year (refer Note 14)	<u>15.16</u>	<u>18,71.19</u>
	<u>As at</u>	<u>As at</u>
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Components of cash and cash equivalents (refer Note 14)		
Balances with scheduled banks:		
- In current accounts	13.03	18,68.60
Cash on hand	2.13	2.59
	<u>15.16</u>	<u>18,71.19</u>

Xpro India Limited : Consolidated Annual Report 2022/23

Notes:

a) The Consolidated Statement of Cash Flow 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’

	<u>Lease liabilities</u>	<u>Long-term borrowings</u>	<u>Short-term Borrowings</u>
Balance as on April 1, 2021*	2,31.64	97,00.68	35,88.38
Cash flows:			
Proceeds	-	4,86.93	-
Repayments	(39.18)	(38,43.10)	(11,88.40)
Non-cash changes on account of:			
foreign exchange fluctuation	-	26.42	-
interest cost on lease liabilities	<u>25.36</u>	-	-
Balance as on April 1, 2022*	2,17.82	63,70.93	23,99.98
Cash flows:			
Proceeds	-	-	2,48.45
Repayments	(55.23)	(54,13.32)	-
Non-cash changes on account of:			
addition	<u>73.44</u>	-	-
foreign exchange fluctuation	-	(1.24)	-
interest cost on lease liabilities	<u>27.36</u>	-	-
Balance as on March 31, 2023*	2,63.39	9,56.37	26,48.43

* includes current maturity of long-term borrowings INR 6,06.92 lacs (March 31, 2022: INR 16,59.50 lacs, March 31, 2021: INR 24,16.41 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

Ashish Gera
Partner
Membership No. 508685
New Delhi
May 22, 2023

Kamal Kishor Sewoda
Company Secretary

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

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director &
Chief Executive Officer
(DIN: 00003343)

Xpro India Limited : Consolidated Annual Report 2022/23

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year ended March 31, 2023

(INR lacs)

A. Equity Share Capital

<u>Particulars</u>	<u>Number of shares</u>	<u>Amount</u>
Balance as at April 1, 2021	1,18,13,500	11,81.35
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	1,18,13,500	11,81.35
Bonus equity shares issued during the year (Note 20)	59,06,744	5,90.67
Equity shares issued on Conversion of fully paid Warrants (Note 20 & 47)	3,28,000	32.80
Bonus equity shares issued on conversion of fully paid warrants (Note 20)	1,64,000	16.40
Balance as at March 31, 2023	1,82,12,244	18,21.22

B. Other equity

Particulars	Capital subsidy reserve	Securities premium	General reserve	Retained earnings	Financial assets through OCI	Money received against warrants	Total
Balance as at April 1, 2021	60.50	4,06.58	67,50.00	5,90.52	-	-	78,07.60
Profit for the year	-	-	-	44,93.18	-	-	44,93.18
Other comprehensive income/(loss) (net of tax)	-	-	-	(15.41)	(13.12)	-	(28.53)
On preferential issue of warrants	-	-	-	-	-	37,49.04	37,49.04
Balance as at March 31, 2022	60.50	4,06.58	67,50.00	50,68.29	(13.12)	37,49.04	1,60,21.29
Profit for the year	-	-	-	45,36.41	-	-	45,36.41
Other comprehensive income/(loss) (net of tax)	-	-	-	(0.17)	(21.42)	-	(21.59)
Payment of Dividend	-	-	-	(2,36.27)	-	-	(2,36.27)
Issue of Bonus shares	-	(4,06.58)	(200.49)	-	-	-	(6,07.07)
Balance proceeds from warrants	-	-	-	-	-	18,74.52	18,74.52
Issue of shares against warrants	-	24,66.56	-	-	-	(24,99.36)	(32.80)
Balance as at March 31, 2023	60.50	24,66.56	65,49.51	93,68.26	(34.54)	31,24.20	2,15,34.49

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

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

For and on behalf of the Board

Ashish Gera
Partner
Membership No. 508685
New Delhi
May 22, 2023

Kamal Kishor Sewoda
Company Secretary

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

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director &
Chief Executive Officer
(DIN: 00003343)

Xpro India Limited : Consolidated Annual Report 2022/23

Notes to the Consolidated Financial Statements

1. **Group Information:**

These consolidated financial statements comprise the standalone financial statements of Xpro India Limited (“the Holding Company”) and its subsidiaries (collectively referred to as ‘the Group’) for the year ended March 31, 2023

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

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

(* 100% shareholding in each of the years ended March 31, 2023 and March 31, 2022);

2. **Recent accounting pronouncements issued but not made effective**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

a. **Amendment to Ind AS 1, Presentation of Financial Statements**

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.

b. **Amendment to Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors**

This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

c. **Amendment to Ind AS 12, Income Taxes**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

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 standalone 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 Standalone Financial Statements.

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

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

c. **Basis of measurement**

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

d. **Functional and presentation currency**

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

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

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

Xpro India Limited : Consolidated Annual Report 2022/23

An asset is treated as current when it is:

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

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

All other assets are classified as non-current.

A liability is current when:

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

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

All other liabilities are classified as non-current.

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

Operating Cycle

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

f. Fair Value Measurements

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices, included in Level 1 that are directly or indirectly observable for the asset or liability;
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

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

Overall Considerations

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

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

4. Significant accounting policies:

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

a. Property, plant and equipment

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

Xpro India Limited : Consolidated Annual Report 2022/23

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 Consolidated 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 Consolidated Statement of Profit and Loss.

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

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

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

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

Leasehold improvements are amortised over the lease period.

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

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

b. Other intangible assets

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

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

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

Intangible assets with finite useful life are assessed for impairment whenever there is an indication that the intangible assets may be impaired. Amortisation of intangible assets such as software is computed on a straight-line basis, at rates representing estimated useful life of 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

Xpro India Limited : Consolidated Annual Report 2022/23

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 consolidated statement of profit or loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to CGU, and then to reduce the carrying amounts of any other assets of the CGUs or group of CGUs on a pro-rata basis.

e. Assets held for sale

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

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

f. Inventories

Inventories are valued at the lower of 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 quarterly 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 consolidated statement of profit and loss net of any reimbursement.

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

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

Xpro India Limited : Consolidated Annual Report 2022/23

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. Trade Receivables

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

j. Cash and cash equivalents

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

k. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date the transaction first qualifies for recognition. Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

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

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks in respect of its imports and exports. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to consolidated statement of profit and loss.

l. Revenue recognition

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

Sales value is net of discounts, rebates and freight outward (on external sales) and are exclusive of 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

Xpro India Limited : Consolidated Annual Report 2022/23

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.

m. Employee Benefits

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

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

Defined benefit plans: For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial 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 consolidated statement of profit and loss: (i) Service costs comprising current service costs, gains and losses on curtailments and settlements; and (ii) Net interest expense or income.

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

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

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

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.

n. Leases

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

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

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

Lease payments are allocated between principal and finance cost. The finance cost is charged to the consolidated statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each

Xpro India Limited : Consolidated Annual Report 2022/23

period. Variable lease payments that depends on sales are recognised in the consolidated statement of profit and loss in the period in which the condition that triggers those payments occurs.

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

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

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

o. Income tax

Income tax expense comprises current and deferred tax.

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

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

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

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

p. Earnings per share

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

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

q. Operating segment

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

r. Equity investment

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

s. Financial instruments

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

1. Financial assets

Initial recognition and measurement

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

Xpro India Limited : Consolidated Annual Report 2022/23

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 effective interest rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the consolidated statement of profit and loss. The losses arising from impairment are recognised in the consolidated statement of profit and loss. This category generally applies to trade and other receivables.

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 consolidated statement of profit and loss on disposal of that financial asset.

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

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

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

Derecognition

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

Impairment of financial assets

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

- (a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- (b) Financial assets that are measured at FVTOCI e.g. investment in bonds.
- (c) Trade receivables under Ind AS 115.

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

Xpro India Limited : Consolidated Annual Report 2022/23

Derecognition

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

3. Offsetting

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

t. Use of estimates and management judgements

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

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

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

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

Significant management judgements:

1. Recoverable amount of property, plant and equipment

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

2. Provisions and contingencies

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

3. Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Group'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.

Xpro India Limited : Consolidated Annual Report 2022/23

(INR lacs)

Particulars	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Computers	Equipment & Fittings	Total	Capital work- In Progress
Gross Block								
Balance as on April 1, 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
Additions (refer Note 'd' below)	55.97	31.24	1.75	1,37.58	12.59	6.39	2,45.52	37.30
Less: Disposals/adjustments	1,50.69	59.85	2.65	1,12.44	10.24	3.43	3,39.30	31.24
Balance as on March 31, 2022	41,34.96	2,52,73.02	3,34.58	3,40.82	1,58.07	120.19	3,03,61.64	37.30
Additions (refer Note 'd' below)	51.23	1,19.41	2.07	1,43.66	10.69	7.88	3,34.94	2,28.20
Less: Disposals/adjustments	-	17,79.92	1,45.90	58.21	33.88	54.22	20,72.13	4.30
Balance as on March 31, 2023	41,86.19	2,36,12.51	1,90.75	4,26.27	1,34.88	73.85	2,86,24.45	2,61.20
Accumulated Depreciation								
Balance as on April 1, 2021	10,17.88	1,17,93.47	2,45.32	1,33.05	1,39.41	1,03.02	1,34,32.15	-
Add: depreciation for the year	1,36.95	9,64.00	19.41	37.56	4.42	7.24	11,69.58	-
Less: Disposals	48.49	31.76	2.51	80.12	9.78	3.26	1,75.92	-
Balance as on March 31, 2022	11,06.34	1,27,25.71	2,62.22	90.49	1,34.05	1,07.00	1,44,25.81	-
Add: depreciation for the year	1,31.52	9,06.60	15.45	37.75	8.23	7.87	11,07.42	-
Less: Disposals	-	17,46.92	1,37.85	18.93	33.88	52.46	19,90.04	-
Balance as on March 31, 2023	12,37.86	1,18,85.39	1,39.82	1,09.31	1,08.40	62.41	1,35,43.19	-
Balance as on March 31, 2023	29,48.33	1,17,27.12	50.93	3,16.96	26.48	11.44	1,50,81.26	2,61.20
Balance as on March 31, 2022	30,28.62	1,25,47.31	72.36	2,50.33	24.02	13.19	1,59,35.83	37.30

Notes:

- a) Refer Note 21 for information on property, plant and equipment pledged as security by the Holding Company;
- b) Refer Note 11 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- c) The Group assessed potential generation of economic benefits from its business units and is of the view that assets employed in continuing businesses are capable of generating adequate returns over their useful lives in the usual course of business; there is no indication to the contrary and accordingly the management is of the view that no impairment provision is considered in these consolidated financial statements;
- d) Exchange differences on all long-term monetary items resulted in deletion of INR 1.24 lacs (March 31, 2022: addition of INR 26.42 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.
- e) The Group has constructed buildings on leasehold lands which are shown under note 45 - Leases; There are no separate title deeds for such buildings.

Xpro India Limited : Consolidated Annual Report 2022/23

5. b) Capital Work-in-progress (CWIP)	Amount in CWIP for a period of				(INR lacs)
	< 1 year	1 – 2 years	2 – 3 years	> 3 years	Total
<u>As at March 31, 2023</u>					
Projects in progress	228.20	33.00	-	-	261.20
<u>As at March 31, 2022</u>					
Projects in progress	37.30	-	-	-	37.30
There are no projects as on end of each reporting period (a) where activity has been suspended and (b) which has exceeded cost as compared to its original plan or where completion is overdue.					
6. Other intangible assets	Computer software		Technical knowhow		(INR lacs)
					Total
Gross block					
Balance as at April 1, 2021	28.32	3,48.38			3,76.70
Additions	-	-			-
Balance as at March 31, 2022	28.32	3,48.38			3,76.70
Additions	-	-			-
Balance as at March 31, 2023	28.32	3,48.38			3,76.70
Accumulated amortisation					
Balance as at April 1, 2021	28.32	3,48.38			3,76.70
Add: Amortisation during the year	-	-			-
Balance as at March 31, 2022	28.32	3,48.38			3,76.70
Add: Amortisation during the year	-	-			-
Balance as at March 31, 2023	28.32	3,48.38			3,76.70
Net balance as at March 31, 2022	-	-			-
Net balance as at March 31, 2023	-	-			-
7. Investments (Non-current)					(INR lacs)
Investments measured at amortised cost			As at	As at	
			<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Investments in bonds (quoted) (Fair value through other comprehensive income):					
Tax Free Bonds (refer details below*)		4,64.83	4,97.86		
Total investments		<u>4,64.83</u>	<u>4,97.86</u>		
Aggregate amount of quoted investments		4,64.83	4,97.86		
* Quoted investments		As at	As at		
		<u>March 31, 2023</u>	<u>March 31, 2022</u>		
	Number of	Amount	Number of	Amount	
	Units	(INR lacs)	Units	(INR lacs)	
8.66% IIFCL Tax Free Bond - 2034 (January 1, 2034) (Face Value: INR 1,000 each)	20000	2,48.50	20000	2,64.62	
8.48% IIFCL Tax Free Bond - 2028 (September 9, 2028) (Face Value: INR 10,00,000 each)	10	1,13.89	10	1,21.89	
8.66% NTPC Tax Free Bond - 2033 (December 16, 2033) (Face Value: INR 1,000 each)	3463	43.31	3463	47.64	
8.63% IRFC Tax Free Bond - 2029 (March 26, 2029) (Face Value: INR 1,000 each)	2500	28.91	2500	30.85	
8.66% IIFCL Tax Free Bond - 2034 (January 22, 2034) (Face Value: INR 1,000 each)	1499	18.78	1499	20.56	
8.54% PFC Tax Free Bond - 2028 (November 16, 2028) (Face Value: INR 1,000 each)	1000	11.44	1000	12.30	
		4,64.83		4,97.86	
The aggregate amount of investment in bonds at purchase price is INR 5,10.98 lacs (March 31, 2022: INR 5,10.98 lacs)					
8. Loans (Non-current)					(INR lacs)
(Considered good, unsecured)			As at	As at	
			<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Loans to employees		22.13	13.45		
Total		<u>22.13</u>	<u>13.45</u>		
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					

Xpro India Limited : Consolidated Annual Report 2022/23

9. Other financial assets (Non-current)		(INR lacs)	
<i>(Considered good, unsecured)</i>		As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Security deposits	1,80.20	1,77.91	
VAT Subsidy	1,56.78	1,75.88	
Bank Deposits with more than 12 months maturity	4.45	1,00.00	
Total	<u>3,41.43</u>	<u>4,53.79</u>	
10. Non-current tax assets (net)		(INR lacs)	
	As at	As at	
	<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Pre-paid taxes <i>(net of provision for tax INR Nil; previous year INR Nil)</i>	1,71.80	2,56.09	
Total	<u>1,71.80</u>	<u>2,56.09</u>	
11. Other assets (Non-current)		(INR lacs)	
<i>(Considered good, unsecured)</i>		As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Capital advances [refer Note (a) and (b) below]	35,17.10	3,96.09	
Advances other than capital advances			
- Pre-paid expenses	11.78	8.42	
- Balances with statutory authorities	28.55	29.05	
Total	<u>35,57.43</u>	<u>4,33.56</u>	
Note:			
Capital commitment:			
a) Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts (net of capital advances): INR 2,55,03.70 lacs (March 31, 2022: INR 1,45.81 lacs)			
b) Unpaid portion of subscribed equity capital in subsidiary: INR 47.50 lacs (March 31, 2022: INR 47.50 lacs)			
12. Inventories		(INR lacs)	
<i>(valued at lower of cost and net realisable value)</i>		As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Raw material	30,64.19	25,42.50	
Work-in-progress	2,70.39	1,79.67	
Finished goods	10,26.78	14,32.75	
Stores and spares	3,70.71	4,09.25	
Stock-in-trade	0.06	0.06	
Total	<u>47,32.13</u>	<u>45,64.23</u>	
13. Trade receivables		(INR lacs)	
	As at	As at	
	<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Trade receivables: Considered good, unsecured	50,98.39	66,34.46	
Total	<u>50,98.39</u>	<u>66,34.46</u>	

Note:

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

(b) All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

Xpro India Limited : Consolidated Annual Report 2022/23

(c) Trade receivables ageing schedule							(INR lacs)
Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	
<u>March 31, 2023</u>							
Undisputed trade receivables							
i) considered good	44,92.71	6,03.02	2.66	-	-	-	50,98.39
ii) which have significant increase in credit risk	-	-	-	-	-	-	-
iii) credit impaired	-	-	-	-	-	-	-
<u>March 31, 2022</u>							
Undisputed trade receivables							
i) considered good	58,38.30	7,96.13	0.03	-	-	-	66,34.46
ii) which have significant increase in credit risk	-	-	-	-	-	-	-
iii) credit impaired	-	-	-	-	-	-	-
14. Cash and cash equivalents							(INR lacs)
					As at	As at	
					<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Balance with banks in current accounts					13.03	18,68.60	
Cash on hand					2.13	2.59	
Total					<u>15.16</u>	<u>18,71.19</u>	
15. Bank balances other than cash and cash equivalents							(INR lacs)
					As at	As at	
					<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Deposit accounts with original maturity of more than 3 months and remaining maturity of less than 12 months					26,25.90	65.13	
Unpaid dividend accounts					3.69	-	
Deposit with banks held as margin money					3,71.52	4,12.17	
Total					<u>30,01.11</u>	<u>4,77.30</u>	
16. Loans (Current)							(INR lacs)
<i>(Considered good, unsecured)</i>					As at	As at	
					<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Loans to employees					12.44	9.41	
Total					<u>12.44</u>	<u>9.41</u>	
17. Other financial assets (Current)							(INR lacs)
<i>(Considered good, unsecured)</i>					As at	As at	
					<u>March 31, 2023</u>	<u>March 31, 2022</u>	
Security deposits					0.57	0.41	
Interest accrued but not due (on tax-free bonds)					11.52	11.51	
Recoverable from others (refer note 19)					-	70.80	
Total					<u>12.09</u>	<u>82.72</u>	

Xpro India Limited : Consolidated Annual Report 2022/23

18. Other current assets

(Considered good, unsecured)

	(INR lacs)	
	As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Advance to suppliers	28.58	18.57
Prepaid expenses	1,94.94	2,44.77
Balance with government authorities	59.96	64.61
Other receivable		
Loans - considered good, unsecured	49.72	33.06
Total	<u>3,33.20</u>	<u>3,61.01</u>

Notes:

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 utilization towards discharge of goods and service tax (earlier service tax liability) in respect of services rendered by the Group. The Group expects the utilization of outstanding balances as at each date of consolidated financial statement within twelve months thereof.

19. Assets held for sale

	(INR lacs)	
	As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Property, plant and equipment	-	5,21.46
Total	<u>-</u>	<u>5,21.46</u>

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 were presented as 'Assets held for sale' separately from other assets in the balance sheet. The sale/business transfer was completed on October 20, 2022 at a consideration of INR 6,78 lacs for fixed assets. Accounting for the transaction resulted in an increase of other income by INR 85.75 lacs during the current financial year.

20. A) Equity share capital

Particulars

	(INR lacs)	
	As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Authorised Share Capital		
3,50,00,000 (March 31, 2022: 3,50,00,000) Equity shares of INR 10 each	35,00.00	35,00.00
Issued, Subscribed & Paid-up		
1,82,12,231 (March 31, 2022: 1,18,13,487) equity shares of INR 10 each fully paid	18,21.22	11,81.35
Share Capital Suspense		
13 (March 31, 2022:13) equity shares of INR 10 each fully paid	*	*
(*rounded off to INR Nil)	<u>18,21.22</u>	<u>11,81.35</u>

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

b) Reconciliation of number of equity shares outstanding:

	<u>For the year ended March 31, 2023</u>		<u>For the year ended March 31, 2022</u>	
	Number of equity shares	Amount (INR lacs)	Number of equity shares	Amount (INR lacs)
At the beginning of the year	<u>1,18,13,500</u>	<u>11,81.35</u>	<u>1,18,13,500</u>	<u>11,81.35</u>
Bonus equity shares issued during the year	59,06,744	5,90.67	-	-
Equity shares issued on conversion of fully paid warrants	3,28,000	32.80	-	-
Bonus equity shares issued on conversion of fully paid warrants	1,64,000	16.40	-	-
At the end of the year	<u>1,82,12,244</u>	<u>18,21.22</u>	<u>1,18,13,500</u>	<u>11,81.35</u>

c) Terms/rights attached to equity shares

The Holding Company has issued only one class of equity shares having a face value of INR 10 per share. All Equity Shares carry one vote per share without restrictions and are entitled to Dividend, as and when declared. In the event of liquidation,

Xpro India Limited : Consolidated Annual Report 2022/23

the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, if any, in proportion to their respective shareholding. All shares rank equally with regard to the Holding Company's residual assets.

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

<u>Name of the Shareholder(s)</u>	As at March 31, 2023	As at March 31, 2022
i) Intellipro Finance Private Limited		
- No. of shares	34,57,500	23,05,000
- % of shares held	18.98	19.51
ii) iPro Capital Limited		
- No. of shares	44,09,999	29,40,000
- % of shares held	24.21	24.89

e) Shareholding of Promoters:

Sl.	Promoter Name	Shares held by Promoters/Promoter Group				% change during the year
		As on March 31, 2022		As on March 31, 2023		
		No. of Shares	% of total	No. of Shares	% of total	
1	Birla Eastern Limited	18400	0.16	27600	0.15	(0.01)
2	Birla Holdings Limited	166650	1.41	249975	1.37	(0.04)
3	Birla, Madhushree Smt.	100125	0.85	150187	0.82	(0.03)
4	Birla, Sidharth Kumar	101875	0.86	152812	0.84	(0.02)
5	Birla, S K	553	Neg.	829	Neg.	Neg.
6	Sudarshan Kumar Birla (HUF)	156	Neg.	234	Neg.	Neg.
7	Birla, Sumangala Smt.	1527	0.01	2290	0.01	Neg.
8	Central India General Agents Limited	275000	2.33	805500	4.42	2.09
9	IntelliPro Finance Private Limited	2305000	19.51	3457500	18.98	(0.53)
10	iPro Capital Limited	2940000	24.89	4409999	24.21	(0.68)
11	Janardhan Trading Co. Ltd.	-	-	99000	0.54	0.54
Promoter/Promoter Group Total:		5909286	50.02	9355926	51.34	1.32

f) During the year ended March 31, 2023, the Holding Company issued and allotted (a) 59,06,744 equity shares of INR 10 each as fully paid-up bonus shares in the ratio of one equity share for every two equity shares outstanding on record date, and (b) 1,64,000 equity shares of INR 10 each as fully paid-up bonus shares in the ratio of one equity share for every two equity shares to warrant holders on conversion of fully paid warrants to equity shares. There have been no other shares which has been issued for a consideration other than cash and no shares bought back by the Holding Company during the period of 5 years immediately preceding the reporting date.

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

B) Other Equity

Particulars	Capital subsidy reserve	Securities premium	General reserve	Retained earnings	Financial assets through OCI	Money received against warrants	(INR lacs)
							Total
Balance as at April 1, 2021	60.50	4,06.58	67,50.00	5,90.52	-	-	78,07.60
Profit for the year	-	-	-	44,93.18	-	-	44,93.18
Other comprehensive income/(loss) (net of tax)	-	-	-	(15.41)	(13.12)	-	(28.53)
On preferential issue of warrants	-	-	-	-	-	37,49.04	37,49.04
Balance as at March 31, 2022	60.50	4,06.58	67,50.00	50,68.29	(13.12)	37,49.04	1,60,21.29
Profit for the year	-	-	-	45,36.41	-	-	45,36.41
Other comprehensive income/(loss) (net of tax)	-	-	-	(0.17)	(21.42)	-	(21.59)
Payment of Dividend	-	-	-	(2,36.27)	-	-	(2,36.27)
Issue of Bonus shares	-	(4,06.58)	(200.49)	-	-	-	(6,07.07)
Balance proceeds from warrants	-	-	-	-	-	18,74.52	18,74.52
Issue of shares against warrants	-	24,66.56	-	-	-	(24,99.36)	(32.80)
Balance as at March 31, 2023	60.50	24,66.56	65,49.51	93,68.26	(34.54)	31,24.20	2,15,34.49

Xpro India Limited : Consolidated Annual Report 2022/23

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

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

c) General reserve

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

d) Retained earnings

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

e) Money received against warrants

Represents amount received towards preferential allotment of convertible warrants issued.

21. Non-current financial liabilities - Borrowings

	(INR lacs)	
	As at	As at
	March 31, 2023	March 31, 2022
<u>Loans from banks - Secured</u>		
Term loans (refer note a to m)	9,47.10	53,61.29
Foreign currency borrowings (refer note n)	-	9,70.59
Vehicle loans (refer note o)	9.27	39.05
Total	9,56.37	63,70.93

- a. Term Loan from Punjab National Bank, outstanding INR Nil (previous year: INR 3,47.35 lacs), carried interest linked to the bank's MCLR was repayable in (i) 4 quarterly instalments of INR 7.25 lacs each starting from April 2017; (ii) 4 quarterly instalments of INR 24.00 lacs each starting from April 2018; (iii) 12 quarterly instalments of INR 28.75 lacs each starting from April 2019 & (iv) 16 quarterly instalments of INR 30.00 lacs each starting from April 2022 and was 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.
- b. Term Loan from State Bank of India, outstanding INR Nil (previous year: INR 9,05.72 lacs) carried interest linked to the bank's MCLR was repayable in (i) 4 quarterly instalments of INR 15.50 lacs each starting from April 2017; (ii) 4 quarterly instalments of INR 51.75 lacs each starting from April 2018; (iii) 12 quarterly instalments of INR 62.00 lacs each starting from April 2019 & (iv) 16 quarterly instalments of INR 64.75 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.
- c. Term Loan from State Bank of India, outstanding INR Nil (previous year: INR 6,99.26 lacs) carried interest linked to the bank's MCLR was repayable in (i) 4 quarterly instalments of INR 12.00 lacs each starting from April 2017; (ii) 4 quarterly instalments of INR 40.00 lacs each starting from April 2018; (iii) 12 quarterly instalments of INR 48.00 lacs each starting from April 2019; & (iv) 16 quarterly instalments of INR 50.00 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.
- d. Term Loan from State Bank of India, outstanding INR Nil (previous year: INR 7,22.62 lacs) carried interest linked to the bank's MCLR was repayable in (i) 4 quarterly instalments of INR 12.50 lacs each starting from April 2017; (ii) 4 quarterly instalments of INR 41.50 lacs each starting from April 2018; (iii) 12 quarterly instalments of INR 49.75 lacs each starting from April 2019 & (iv) 16 quarterly instalments of INR 51.75 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.
- e. Term Loan from Indian Bank, outstanding INR Nil (previous year: INR 6,36.23 lacs), carried interest linked to the bank's MCLR was repayable in (i) 2 quarterly instalments of INR 7.50 lacs each starting from October, 2016; (ii) 4 quarterly instalments of INR 11.25 lacs each starting from April 2017; (iii) 4 quarterly instalments of INR 37.50 lacs each starting from April 2018 (iv) 12 quarterly instalments of INR 44.50 lacs each starting from April 2019 & (v) 16 quarterly instalments of INR 47.25 lacs each

Xpro India Limited : Consolidated Annual Report 2022/23

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.

- f. Corporate Loan from State Bank of India, outstanding INR Nil (previous year: INR 3,55.66 lacs), carried interest linked to the bank's MCLR, was repayable in (i) 4 quarterly instalments of INR 11.25 lacs each starting from April 2017; (ii) 4 quarterly instalments of INR 37.50 lacs each starting from April 2018; (iii) 12 quarterly instalments of INR 45.00 lacs each starting from April 2019 & (iv) 16 quarterly instalments of INR 47.00 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.
- g. Term Loan from Punjab National Bank, outstanding INR Nil (previous year: INR 1,35.99 lacs), carried interest linked to the bank's MCLR, was repayable in (i) 24 quarterly instalments of INR 25.00 lacs each starting from June, 2020; and was 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.
- h. During the year, term/corporate loans aggregating to INR 48,07.64 lacs has been pre-paid to banks.
- i. During 2020-21, the Holding Company had 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; accordingly the re-payment schedule had been extended.
- j. Working Capital Term Loan from State Bank of India, under Guaranteed Emergency Credit Line 2.0 (GECL2.0) scheme, outstanding INR 11,00.90 lacs (previous year: INR 15,00.01 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 47 monthly instalments of INR 33.33 lacs each starting from January 2022 & (ii) last instalment of INR 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).
- k. Working Capital Term Loan from Punjab National Bank, under GECL2.0 scheme, outstanding INR 1,40.62 lacs (previous year: INR 2,15.60 lacs), carrying interest linked to the bank's MCLR, repayable in (i) 35 monthly instalments of INR 6.38 lacs each starting from February 2022 & (ii) last instalment of INR 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.
- l. Working Capital Term Loan from Indian Bank, under GECL2.0 scheme, outstanding INR 2,89.67 lacs (previous year: INR 4,26.93 lacs), carrying interest linked to the bank's MCLR, repayable in 48 monthly instalments of INR 8.96 lacs each starting from April 2022 is secured by extension of second charge over the existing primary and collateral securities including mortgages created in favour of the Consortium banks on pari-passu basis and covered under guarantee coverage from NCGTC.
- m. The above-mentioned term loans carry interest rate between 7.9 to 12 % per annum (previous year: 7.9 to 12 %).
- n. ECB from Oldenburgische Landesbank AG ('OLB'), in the nature of term loan, outstanding € Nil; equivalent to INR Nil (previous year: €2,268,005; equivalent to INR 19,41.19 lacs), carried annual interest at Euribor + 1.75% was repayable in 14 semi-annual instalments of €567,001.34 each, along with interest, commencing from April 2017, was secured by hypothecation of specified Dielectric Film Line and slitter at Barjora and was insured under Hermes export credit guarantee;
- o. Vehicle Loan(s) of INR 29.98 lacs (previous year: INR 70.32 lacs) carrying interest at between 7 to 7.8 % per annum (previous year: 9 to 9.5%) repayable in 36 monthly instalment(s) commencing from date of disbursement, are secured by hypothecation of specified vehicles;
- p. Lenders retain the right to recompense for NPV loss amount of upto INR 3,65.00 lacs arising on rescheduling of term loans effective April 1, 2016;
- q. There has been no default in servicing of loans and interest due thereon during and as at the end of the year;
- r. Loans from Indian banks are further secured by pledge of 15% of promoters equity shareholding in the Holding Company;
- s. Interest accrued on above borrowings is INR 2.12 lacs (March 31, 2022: INR 73.55 lacs).

22. Non-current financial liabilities - Others

	As at <u>March 31, 2023</u>	(INR lacs) As at <u>March 31, 2022</u>
Security deposits	6.57	6.57
Total	6.57	6.57

Xpro India Limited : Consolidated Annual Report 2022/23

23. Provisions		(INR lacs)
	As at	As at
	March 31, 2023	March 31, 2022
Employee benefits		
Non-current		
Gratuity (refer Note 39)	18.98	1,93.96
Compensated absences	-	27.83
	<u>18.98</u>	<u>2,21.79</u>

24. Deferred tax		(INR lacs)
	Year ended	Year ended
	March 31, 2023	March 31, 2022
A. Components of Income Tax Expense		
I. Tax expense recognized in the consolidated statement of profit and loss		
Current tax	7.83	-
Tax adjusted for earlier years	(32.69)	20.12
	<u>(24.86)</u>	<u>20.12</u>
Deferred Tax	14,11.53	(4,54.52)
Total	<u>13,86.67</u>	<u>(4,34.40)</u>
II. Recognized in Other Comprehensive Income		
Tax impact on		
- Re-measurement on defined benefit plan	0.06	-
- Change in fair value of tax free bonds	11.62	-
Total	<u>11.68</u>	<u>-</u>
B. Reconciliation of tax expense and the accounting profit		
Profit before tax	59,23.08	40,58.78
Statutory income tax rate (%)	25.17	25.17
Tax expense at statutory income tax rate	14,90.84	10,21.57
Tax adjustment for earlier years	(32.69)	20.12
Non-deductible expenses	(18.64)	-
Income chargeable at lower tax rate	(13.75)	-
Tax expense	14,25.76	10,41.69
Tax impact of utilisation of brought forward losses	(14,50.62)	(10,21.57)
Current tax	<u>(24.86)</u>	<u>20.12</u>

The carry forward tax losses as at March 31, 2023 are as follows:-

Loss for the tax assessment year ended	Losses with no expiry
	Unabsorbed depreciation
	(INR lacs)
2017-18	7,66.11
2018-19	10,66.29
2020-21	4,90.51

Deferred tax assets/liabilities (net)		(INR lacs)
	As at	As at
	March 31, 2023	March 31, 2022
Deferred tax liability		
Fixed assets:	15,46.41	6,15.28
Impact of difference between book and tax depreciation	<u>15,46.41</u>	<u>6,15.28</u>
Gross deferred tax liability		
Deferred tax assets		
Carried forward losses/unabsorbed depreciation	5,84.68	10,20.98
Provision for employee benefits	4.78	48.82
Investment at fair value through OCI	11.62	-
Gross deferred tax assets	<u>6,01.08</u>	<u>10,69.80</u>
Deferred tax assets to the extent recognized	<u>6,01.08</u>	<u>10,69.80</u>
Net deferred tax asset/(liability)	<u>(9,45.33)</u>	<u>4,54.52</u>

Xpro India Limited : Consolidated Annual Report 2022/23

Movement in Deferred tax liabilities/assets (net)				(INR lacs)
<u>March 31, 2023</u>				
Particulars	Balance as at April 1, 2022	Recognised during the year In Statement of Profit and Loss	In OCI	Balance as at March 31, 2023
Deferred tax liabilities				
Property, plant and equipment	6,15.28	9,31.13	-	15,46.41
	<u>6,15.28</u>	<u>9,31.13</u>	<u>-</u>	<u>15,46.41</u>
Deferred tax assets				
Carry forward of losses	10,20.98	(4,36.30)	-	5,84.68
Provision for employee benefits	48.82	(44.10)	0.06	4.78
Investment at fair value through OCI	-	-	11.62	11.62
	<u>10,69.80</u>	<u>(4,80.40)</u>	<u>11.68</u>	<u>6,01.08</u>
Net deferred tax asset/(liability)	4,54.52	(14,11.53)	11.68	(9,45.33)

<u>March 31, 2022</u>				
Particulars	Balance as at April 1, 2021	Recognised during the year In Statement of Profit and Loss	In OCI	Balance as at March 31, 2022
Deferred tax liabilities				
Property, plant and equipment	3,84.00	2,31.28	-	6,15.28
	<u>3,84.00</u>	<u>2,31.28</u>	<u>-</u>	<u>6,15.28</u>
Deferred tax assets				
Carry forward of losses	3,31.00	6,89.98	-	10,20.98
Provision for employee benefits	53.00	(4.18)	-	48.82
	<u>3,84.00</u>	<u>6,85.80</u>	<u>-</u>	<u>10,69.80</u>
Net deferred tax asset	-	4,54.52	-	4,54.52

25. Current financial liabilities - Borrowings (INR lacs)

	As at March 31, 2023	As at March 31, 2022
Secured		
Loans repayable on demand		
- Working capital loan from banks	20,41.51	7,40.48
- Current maturities of long term borrowings (refer note 21)	6,06.92	16,59.50
Total	<u>26,48.43</u>	<u>23,99.98</u>

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

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

26. Current financial liabilities – Trade payables (INR lacs)

	As at March 31, 2023	As at March 31, 2022
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	1,41.04	1,76.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	36,91.22	37,42.73
Acceptances	12,06.28	18,74.40
Total	<u>50,38.54</u>	<u>57,93.18</u>

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 paid by banks on due date which are normally effected within a period of 90 days from the date of transaction.

Xpro India Limited : Consolidated Annual Report 2022/23

c) Disclosures with respect to related party transactions is given in note 40.

d) Micro and 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 the 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:

	As at March 31, 2023	(INR lacs) As at March 31, 2022
Principal amount due and remaining unpaid	1,41.04	1,75.92
Interest due on above and remaining unpaid	-	0.13
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	-	-

e) Trade payables ageing schedule (INR lacs)

Particulars	Unbilled	Outstanding for following periods from due date of payment				Total
		< 1 year	1 – 2 years	2 – 3 years	> 3 years	
<u>March 31, 2023</u>						
i) MSME	-	1,40.56	-	-	-	1,40.56
ii) Others	10,10.50	38,44.97	1.07	0.02	40.94	48,97.50
iii) Disputed Dues - MSME	-	0.48	-	-	-	0.48
iv) Disputed Dues - Others	-	-	-	-	-	-
<u>March 31, 2022</u>						
i) MSME	-	1,76.05	-	-	-	1,76.05
ii) Others	6,16.51	49,63.41	0.34	0.37	36.50	56,17.13
iii) Disputed Dues - MSME	-	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-	-

27. Current financial liabilities – Others

	As at March 31, 2023	(INR lacs) As at March 31, 2022
Creditors for capital expenditure	49.61	0.20
Interest accrued but not due	-	10.01
Unpaid dividend	3.69	-
Employees payables	1,90.24	2,22.79
Security deposit received	7.50	7.50
Total	2,51.04	2,40.50

28. Other current liabilities

	As at March 31, 2023	(INR lacs) As at March 31, 2022
Revenue received in advance	13.52	1,13.94
Statutory dues payable	5,16.81	2,40.02
Advance against sale of 'assets held for sale'	-	6,78.00
Total	5,30.33	10,31.96

Xpro India Limited : Consolidated Annual Report 2022/23

	Year ended March 31, 2023	Year ended March 31, 2022
29. Revenue from operations		(INR lacs)
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Sale of products (<i>refer note 46</i>)		
- Finished goods	5,01,89.06	4,58,48.95
Other operating income		
- Scrap sale	3,28.77	3,94.92
- Export incentives and margins	70.75	59.99
- Processing charges	<u>5,08.45</u>	<u>8,68.13</u>
Total	5,10,97.03	4,71,71.99
30. Other income		(INR lacs)
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Interest on		
- Fixed deposits	1,07.08	35.07
- Other financial assets carried at FVTOCI	33.02	5.30
- Others	8.04	8.54
- Income-tax refund	7.89	1.81
Dividend Income	0.08	0.05
Other non-operating income		
- Foreign currency transactions (net)	48.95	-
- Excess provision written back	0.15	49.56
- Profit on sale of other fixed assets	80.15	-
- Miscellaneous income	<u>1,00.19</u>	<u>83.56</u>
Total	3,85.55	1,83.89
31. Cost of materials consumed		(INR lacs)
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Inventories at the beginning of the year	25,42.50	23,62.53
Add: Purchases during the year	3,52,16.73	3,29,77.40
Less: Inventories at the end of the year	<u>30,64.19</u>	<u>25,42.50</u>
Cost of materials consumed	3,46,95.04	3,27,97.43
32. Changes in inventories of finished and work-in-progress		(INR lacs)
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Inventories at the beginning of the year		
Finished goods	14,32.75	11,45.98
Work-in-progress	1,79.67	2,29.06
Stock-in-trade	<u>0.06</u>	<u>0.07</u>
	16,12.48	13,75.11
Inventories at the end of the year		
Finished goods	10,26.78	14,32.75
Work-in-progress	2,70.39	1,79.67
Stock-in-trade	<u>0.06</u>	<u>0.06</u>
	12,97.23	16,12.48
Net decrease/(increase)	3,15.25	(2,37.37)
33. Employees benefits expense		(INR lacs)
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Salaries, wages & bonus	26,50.41	26,00.74
Contribution to provident and other funds	2,17.59	2,82.69
Staff welfare expenses	<u>1,38.96</u>	<u>1,35.70</u>
Total	30,06.96	30,19.13

Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 38

Xpro India Limited : Consolidated Annual Report 2022/23

34. Finance costs	Year ended <u>March 31, 2023</u>	(INR lacs) Year ended <u>March 31, 2022</u>
Interest expense on borrowings measured at amortised cost	5,92.51	11,80.99
Interest on lease liability	27.36	25.36
Other borrowing costs	<u>1,33.32</u>	<u>94.37</u>
Total	7,53.19	13,00.72
<p><i>Note: In the current year, interest on cash credit of INR 2,33.36 lacs (previous year: INR 2,41.95 lacs) has been included in "interest expense on borrowings measured at amortised cost" to ensure better presentation. Accordingly corresponding previous year figures have been reclassified. Other borrowing costs includes charges towards letters of credit, bank guarantee, and ancillary costs towards borrowing.</i></p>		
35. Depreciation and amortisation expenses	Year ended <u>March 31, 2023</u>	(INR lacs) Year ended <u>March 31, 2022</u>
Depreciation on tangible assets	11,07.42	11,69.58
Amortisation on right-to-use assets	44.76	37.23
Total	11,52.18	12,06.81
36. Other expenses	Year ended <u>March 31, 2023</u>	(INR lacs) Year ended <u>March 31, 2022</u>
Consumption of stores and spares	9,45.92	10,55.32
Processing charges	36.93	35.39
Power & Fuel (refer Note 50)	29,70.48	25,56.96
Rent	31.13	31.62
Repairs to:		
- Buildings	25.57	8.82
- Plant & Machinery	1,91.56	1,86.52
- Others	38.62	24.78
Communication	20.73	19.21
Director's Fees	56.95	40.64
Insurance	1,54.45	1,06.39
Legal & professional	1,28.73	2,05.91
Rates & Taxes	41.62	82.84
Security expenses	78.52	67.39
Travelling and conveyance	2,12.09	1,51.05
Rebate and commission	2,44.03	2,68.44
Payment to Auditors (refer note 'a' below)	27.42	21.72
Other selling expenses	26.17	20.06
Corporate social responsibility (refer Note 42)	47.50	17.70
Loss on disposal/discard of property, plant and equipment	-	29.04
Foreign currency transactions (net)	-	23.29
Miscellaneous expenses	<u>3,58.46</u>	<u>2,57.29</u>
Total	56,36.88	52,10.38
a) Payment to auditors		
To Statutory Auditors		
- As Auditors	25.00	18.00
- For other matters	0.75	0.75
- Reimbursement of expenses	<u>1.67</u>	<u>2.97</u>
	27.42	21.72

Xpro India Limited : Consolidated Annual Report 2022/23

37.A) Earnings per share (EPS)

	Year ended <u>March 31, 2023</u>	Year ended <u>March 31, 2022</u>
a) Profit attributable to equity shareholders (A) (INR lacs)	45,36.41	44,93.18
b) Weighted average number of equity shares outstanding during the year for computation of Basis EPS (B) *	1,77,41,811	1,77,20,244
Add: impact of convertible warrants	8,84,424	2,19,572
Weighted average number of equity shares outstanding during the year for computation of Diluted EPS (C) *	1,86,26,235	1,79,39,816
Nominal value per share (INR)	10	10
c) Basic earnings per equity share (face value INR10 each) (A/B) (INR)	25.57	25.36
Dilutive earnings per equity share (face value INR10 each) (A/C) (INR)	24.35	25.05

* Previous year numbers are adjusted for 59,06,755 bonus shares issued during the year

B) Details of Dividends:

Dividend of INR 2 per equity share of face value INR 10 each for the financial year ended March 31, 2022, was approved by shareholders of the Holding Company at Annual General Meeting held on June 24, 2022 and was paid on July 4, 2022 with a total appropriation of INR 2,36.27 lacs.

The Board of Directors of the Holding Company, at its meeting held on May 22, 2023, has recommended for approval by Members at the ensuing Annual General Meeting a dividend of INR 2 per fully paid-up equity share of Rs.10 each for the financial year ended March 31, 2023, and which, if approved, would result in a cash outflow of INR 4,13.44 lacs (assuming full conversion of outstanding convertible warrants into fully paid equity shares, prior to the record date that may be set for the purpose.)

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 INR 98.04 lacs (March 31, 2022: INR 1,39.36 lacs) towards provident fund contributions and ESI contribution in the Consolidated Statement of Profit and Loss included in "Employee benefits expense" (note 33).

Defined Benefit Plan

Gratuity

The Group provides for gratuity as per the Payment of Gratuity Act, 1972 or as per applicable Group 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 consolidated financial statements as at balance sheet date:

	Year ended <u>March 31, 2023</u>	(INR lacs) Year ended <u>March 31, 2022</u>
(i) Liability recognised in consolidated balance sheet		
Present value of the obligation at end of the year	10,60.37	11,02.26
Fair value of plan assets	10,41.39	9,08.30
Net liability recognised in balance sheet as provision	18.98	1,93.96
(ii) Amount recognised in the consolidated statement of profit and loss is as under:		
Current service cost	50.54	53.51
Net interest cost	11.35	17.46
Expense recognised in the income statement	61.89	70.97
(iii) Amount recognised in other comprehensive income is as under:		
Actuarial gain/(loss) for the year on defined benefit obligation	(2.68)	(8.41)
Actuarial gain/(loss) for the year on plan assets	2.45	(7.00)
Total actuarial gain/(loss) for the year	(0.23)	(15.41)

Xpro India Limited : Consolidated Annual Report 2022/23

	Year ended March 31, 2023	(INR lacs) Year ended March 31, 2022
(iv) Movement in the liability recognised in the consolidated balance sheet is as under:		
Present value of defined obligation as at start of the year	11,02.26	9,99.00
Current service cost	50.54	53.51
Interest cost	77.38	64.93
Actuarial loss/(gain) recognised during the year	2.68	8.41
Benefits paid	(1,72.49)	(23.59)
Present value of defined benefit obligation as at the end of the year	10,60.37	11,02.26
(v) Movement in the plan assets recognised in the consolidated balance sheet is as under:		
Fair value of plan assets at beginning of the year	9,08.30	5,92.90
Expected return on plan assets	66.03	47.47
Employer's contribution	1,02.00	2,98.52
Benefits paid	(37.39)	(23.59)
Actuarial gain/(loss) on plan assets	2.45	(7.00)
Fair value of plan assets at the end of the year	10,41.39	9,08.30
Actual return on plan assets	68.48	40.47
(vi) Breakup of actuarial (gain)/loss on defined benefit obligation:		
Actuarial (gain)/loss on arising from change in financial assumption	(5.20)	-
Actuarial (gain)/loss on arising from experience adjustment	7.88	8.41
Total actuarial (gain)/loss for the year	2.68	8.41
(vii) Actuarial assumptions:		
Discount rate (%)	7.02	6.50
Future salary increase (%)	6.00	6.00
Expected average remaining working lives of employees (years)	10.21	13.07
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 (2012-14) 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 %	(21.56)	(26.22)
- Impact due to decrease of 1 %	25.15	30.31
Impact of the change in salary increase		
Effect on present value of gratuity obligation		
- Impact due to increase of 1 %	25.15	30.16
- Impact due to decrease of 1 %	(21.94)	(26.57)
(ix) Expected (undiscounted) benefit payments in future years		
Projections are for current members and their currently accumulated benefits		
Year- 1	7,84.96	7,59.42
Year- 2	13.77	32.43
Year- 3	62.63	30.01
Year- 4	18.18	56.08
Year- 5	44.76	31.83
Year- 6 to Year- 10	1,58.49	2,80.56
(x) Category of plan assets		
LIC managed fund	100 %	100 %
(xi) The Group expects to contribute INR 50 lacs (2022-23: INR 102 lacs) to the funded plan during the financial year 2023-24.		

Provident Fund

Provident fund benefits provided under plans wherein contributions are made to an irrevocable trust set up by the Group to manage the investments and distribute the amounts entitled to employees are treated as a defined benefit plan as the Group is obligated to provide the members a rate of return which should, at the minimum, meet the interest rate declared by Government administered provident fund. A part of the Group's contribution is transferred to Government administered pension fund. The

Xpro India Limited : Consolidated Annual Report 2022/23

contributions made by the Group and the shortfall of interest, if any, are recognised as an expense in consolidated statement of profit and loss under employee benefits expense. During the current year the Group has recognised an amount of INR 179.68 lacs (March 31, 2022: INR 86.38 lacs) being the decline in market value of certain investments of the trust.

C. Other long term benefits:

The leave obligations cover the Group's liability for earned leave. The liability towards compensated absences based on the actuarial valuation carried out by using projected accrued benefit method as reduced by the contribution to the plan assets resulted in a net asset of INR 21.34 lacs as on March 31, 2023, and a net liability of INR 27.83 lacs as on March 31, 2022 which have been shown under "Other current assets" and "Provisions" respectively in the Consolidated Financial Statements.

39. Contingent Liabilities

	As at March 31, 2023	(INR lacs) As at March 31, 2022
Claims against the Group, not acknowledged as debt	2.50	2.50
Sales tax, Excise & Customs matters under appeal	3,89.24	3,95.10
Others (<i>claims not acknowledged as debt</i>)	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) Central India General Agents Ltd.
 - c) 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, <i>Chairman</i>	(ii) Sri C Bhaskar, <i>Managing Director & CEO</i>
---	--
 - b) Non-executive Independent Directors:

(i) Sri K Balakrishnan (<i>w.e.f. 25/5/2022</i>)	(ii) Sri Amitabha Guha
(iii) Sri Ashok Kumar Jha	(iv) Ms Suhana Murshed (<i>w.e.f. 10/8/2021</i>)
(v) Sri Utsav Parekh	(vi) Sri S Ragothaman
(vii) Sri Umrao Chand Jain	
 - c) Non-executive Non-Independent Directors:

(i) Smt Madhushree Birla	(ii) Sri Bharat Jhaver (<i>w.e.f. 25/5/2022</i>)
--------------------------	--
 - d) Others:
 - (i) Sri H Bakshi, *Sr. President & COO*
 - (ii) Sri V K Agarwal, *President (F) & CFO*
 - (iii) Sri Kamal Kishor Sewoda, *Company Secretary (w.e.f. 15/2/2023)*
 - (iv) Sri Amit Dhanuka, *Company Secretary (upto 14/1/2023)*

Xpro India Limited : Consolidated Annual Report 2022/23

e) Relatives of Key managerial personnel *:

- | | |
|---------------------------------------|---------------------------|
| (i) Sri Sudarshan Kumar Birla | (ii) Smt Sumangala Birla |
| (iii) Sri Sudarshan Kumar Birla (HUF) | (iv) Smt Vasusri Jhaver |
| (v) Smt Meenakshi Apoorva Bajaj | (vi) Smt Usha Ragothaman |
| (vii) Smt Kiran Jhaver | (viii) Smt Mousumi Bakshi |

* with whom the Group had transactions during the current or previous year

B. Terms and conditions of transactions with related parties

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

C. Transactions with Related Parties:

<u>Related Party</u>	<u>Nature of transaction</u>	(INR lacs)	
		<u>Year ended March 31, 2023</u>	<u>Year ended March 31, 2022</u>
Xpro India Ltd. Employees Provident Fund Trust	Employer's contribution to post employment benefit fund	1,79.68	56.95
Xpro India Ltd. Senior Officers Superannuation Fund	Contribution to post employment benefit fund (with LIC)	61.67	59.20
Xpro India Ltd. Employees Gratuity Fund	Contribution to post employment benefit fund (with LIC)	1,02.00	2,98.52
iPro Capital Limited	Dividend paid	58.80	-
	Bonus shares issued (face value of INR 10 each)	1,47.00	-
Intellipro Finance Pvt. Ltd.	Dividend paid	46.10	-
	Bonus shares issued (face value of INR 10 each)	1,15.25	-
Central India General Agents Ltd.	Proceeds from warrants	14,97.33	4,99.11
	Issue of Equity shares (face value of INR 10 each)	26.20	-
	Bonus shares issued (face value of INR 10 each)	13.10	-
Sri Sidharth Birla	Remuneration (including leave encashment)	1,34.20	1,07.81
	Dividend paid	2.04	-
	Bonus shares issued (face value of INR 10 each)	5.09	-
Sri C Bhaskar	Remuneration (including leave encashment)	1,56.33	1,43.52
	Dividend paid	1.15	-
	Bonus shares issued (face value of INR 10 each)	2.89	-
	Sitting fees	0.04	0.04
	Payable amount at year end	-	8.75
Sri K Balakrishnan	Sitting Fees	5.00	-
Sri Amitabha Guha	Sitting Fees	9.40	8.65
Sri Ashok Kumar Jha	Sitting Fees	7.00	6.50
Ms. Suhana Murshed	Sitting Fees	6.00	4.50
Sri Utsav Parekh	Sitting Fees	8.90	6.90
	Dividend paid	0.01	-
	Bonus shares issued (face value of INR 10 each)	0.03	-
Sri S Ragothaman	Sitting Fees	9.54	7.99
	Dividend paid	1.37	-
	Bonus shares issued (face value of INR 10 each)	3.42	-
Smt Madhushree Birla	Sitting Fees	6.04	6.04
	Dividend paid	2.00	-
	Bonus shares issued (face value of INR 10 each)	5.01	-
Sri Bharat Jhaver	Sitting Fees	5.00	-
Sri Umrao Chand Jain	Sitting Fees	0.03	0.02
Sri H Bakshi	Remuneration	1,25.31	1,31.38
	Dividend paid	0.20	-
	Bonus shares issued (face value of INR 10 each)	0.51	-
Sri V K Agarwal	Remuneration	98.36	94.22
	Dividend paid	0.17	-
	Bonus shares issued (face value of INR 10 each)	0.42	-
Sri Kamal Kishor Sewoda	Remuneration	2.35	-
Sri Amit Dhanuka	Remuneration	15.61	20.35

Xpro India Limited : Consolidated Annual Report 2022/23

Related Party	Nature of transaction	(INR lacs)	
		Year ended March 31, 2023	Year ended March 31, 2022
Sri Sudarshan Kumar Birla	Dividend paid	0.01	-
	Bonus shares issued (face value of INR 10 each)	0.03	-
Smt Sumangala Birla	Dividend paid	0.03	-
	Bonus shares issued (face value of INR 10 each)	0.08	-
Sri Sudarshan Kumar Birla (HUF)	Dividend paid	Neg.	-
	Bonus shares issued (face value of INR 10 each)	0.01	-
Smt Vasusri Jhaver	Dividend paid	1.05	-
	Bonus shares issued (face value of INR 10 each)	2.62	-
Smt Meenakshi Apoorva Bajaj	Dividend paid	3.50	-
	Bonus shares issued (face value of INR 10 each)	8.75	-
Smt Usha Ragothaman	Dividend paid	0.07	-
	Bonus shares issued (face value of INR 10 each)	0.18	-
Smt Kiran Jhaver	Dividend paid	0.10	-
	Bonus shares issued (face value of INR 10 each)	0.25	-
Smt Mousumi Bakshi	Dividend paid	Neg.	-
	Bonus shares issued (face value of INR 10 each)	Neg.	-

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

- D. No balances were outstanding at the end of the current or previous year from/to any of the Related parties, other than as stated above.
- E. 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. There are no separate reportable business or geographic segments. The aforesaid is in line with review of performance and allocation of resources by the chief operating decision maker.

Revenue of INR 1,73,54.77 lacs (previous year: INR 1,32,64.60 lacs) was derived from two external customers each accounting for over ten percent of the revenue.

42. CSR Expenditure

	Year ended March 31, 2023	(INR lacs) Year ended March 31, 2022
i) Gross amount required to be spent during the year as per provisions of Section 135 of the Companies Act 2013	36.90	10.84
ii) Amount spent during the year on the following:		
a) Construction/acquisition of any asset	-	-
b) On purposes other than (a) above	54.36	17.70
iii) Excess amount spent as per Section 135 of the Companies Act 2013		
Carried forward Opening balance	6.86	-
Amount required to be spent during the year	36.90	10.84
Amount spent during the year	47.50	17.70
Carried forward Closing balance	17.46	6.86
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	Not applicable	Not applicable

vi) Nature of CSR Activities:

Areas selected from those identified and prescribed under the Companies Act, 2013. The Group has adopted a policy to support duly registered and qualified external bodies including NGOs or Government relief funds including through financial contribution. Activities supported during the current year included promoting education/special education, health-care, employment enhancing vocational skills especially among children, women and the differently abled (previous year: contribution to PM Cares Fund and Covid-19 related activities)

vii) The Group does not carry any provisions for CSR expenses for the current year and previous year;

viii) The Group intends to carry forward the excess amount of INR 17.46 lacs spent during the year (2021-22: INR 6.86 lacs);

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.

Xpro India Limited : Consolidated Annual Report 2022/23

Fair Value hierarchy

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

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

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

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

Particulars	Fair value hierarchy	Valuation technique	Significant unobservable inputs	Inter-relationship between unobservable inputs and fair value measurement
Financial asset measured at FVTOCI				
Investment in Tax Free Bonds	Level 1	Market valuation technique: The fair value of the bond is based on direct and market observable inputs	Not applicable	Not applicable

Financial instrument by category measured at amortised cost (INR lacs)

Particulars	March 31, 2023		March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
- Trade Receivables	50,98.39	50,98.39	66,34.46	66,34.46
- Cash & cash equivalents	15.16	15.16	18,71.19	18,71.19
- Other bank balances	30,01.11	30,01.11	4,77.30	4,77.30
- Loans	34.57	34.57	22.86	22.86
- Other financial asset	3,53.52	3,53.52	5,36.51	5,36.51
Total	85,02.75	85,02.75	95,42.32	95,42.32
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial liabilities				
- Borrowings	36,04.80	36,04.80	87,70.91	87,70.91
- Other financial liabilities	2,57.61	2,57.61	2,47.07	2,47.07
- Trade payables	50,38.54	50,38.54	57,93.18	57,93.18
- Lease liabilities	2,63.39	2,63.39	2,17.82	2,17.82
Total	91,64.34	91,64.34	1,50,28.98	1,50,28.98

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) 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.

Xpro India Limited : Consolidated Annual Report 2022/23

44. Financial risk management

i) Financial instrument by category

Particulars	(INR lacs)					
	<u>March 31, 2023</u>			<u>March 31, 2022</u>		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
- Investments	-	4,64.83	-	-	4,97.86	-
- Trade receivable	-	-	50,98.39	-	-	66,34.46
- Cash and cash equivalent	-	-	15.16	-	-	18,71.19
- Other Bank balances	-	-	30,01.11	-	-	4,77.30
- Loans	-	-	34.57	-	-	22.86
- Other financial assets	-	-	3,53.52	-	-	5,36.51
	-	4,64.83	85,02.75	4,97.86	95,42.32	
Financial liabilities						
- Borrowings	-	-	36,04.80	-	-	87,70.91
- Trade payables	-	-	50,38.54	-	-	57,93.18
- Other financial liabilities	-	-	2,57.61	-	-	2,47.07
Total	-	-	89,00.95	-	-	1,48,11.16

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 consolidated financial statements.

A. Credit risk

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

Credit risk arises from cash and cash equivalents, trade receivables, 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:

<u>Asset group</u>	<u>Basis of categorisation</u>	<u>Provision for expected credit loss</u>
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 -

		(INR lacs)	
<u>Credit rating</u>	<u>Particulars</u>	<u>As at March 31, 2023</u>	<u>As at March 31, 2022</u>
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	85,02.75	95,42.32

Xpro India Limited : Consolidated Annual Report 2022/23

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 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

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	(INR lacs)
				Carrying amount net of impairment provision
<u>March 31, 2023</u>				
Investments	4,64.83	0 %	-	4,64.83
Loans	34.57	0 %	-	34.57
Trade receivables	50,98.39	0 %	-	50,98.39
Cash and cash equivalents	15.16	0 %	-	15.16
Other bank balances	30,01.11	0 %	-	30,01.11
Other financial assets	3,53.52	0 %	-	3,53.52
<u>March 31, 2022</u>				
Investments	4,97.86	0 %	-	4,97.86
Loans	22.86	0 %	-	22.86
Trade receivables	66,34.46	0 %	-	66,34.46
Cash and cash equivalents	18,71.19	0 %	-	18,71.19
Other bank balances	4,77.30	0 %	-	4,77.30
Other financial assets	5,36.51	0 %	-	5,36.51

Expected credit loss for trade receivables under simplified approach

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

Particulars	(INR lacs)	
	As at March 31, 2023	As at March 31, 2022
Gross amount of trade receivables where no default has occurred	50,98.39	66,34.46
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.

Xpro India Limited : Consolidated Annual Report 2022/23

Maturities of financial liabilities

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

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars				(INR lacs)
	< 1 year	1 - 5 years *	>5 years	Total
As at March 31, 2023				
Borrowings	26,48.43	9,56.37	-	36,04.80
Trade payables	50,38.54	-	-	50,38.54
Lease liabilities	36.44	2,26.95	-	2,63.39
Financial liabilities	2,51.04	6.57	-	2,57.61
Total	79,74.45	11,89.89	-	91,64.34
As at March 31, 2022				
Borrowings	23,99.98	63,70.93	-	87,70.91
Trade payables	57,93.18	-	-	57,93.18
Lease liabilities	22.89	1,42.69	52.24	2,17.82
Financial liabilities	2,40.50	6.57	-	2,47.07
Total	84,56.55	65,20.19	52.24	1,50,28.98

*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, 2023	March 31, 2022
Financial liabilities		
Payable on imports	USD 14,55,180	24,54,180
Borrowings	Euro -	2,279,707
Financial assets		
Receivables on export	USD 1,64,635	1,228,594
	Euro 1,16,233	1,62,009

Sensitivity

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

Particulars	(INR lacs)	
	As at March 31, 2023	As at March 31, 2022
USD sensitivity		
INR/USD - increase by 2 %	(21.19)	(18.88)
INR/USD - decrease by 2 %	21.19	18.88
Euro sensitivity		
INR/Euro - increase by 2 %	2.08	(36.32)
INR/Euro - decrease by 2 %	(2.08)	36.32

Xpro India Limited : Consolidated Annual Report 2022/23

Interest rate risk

Liabilities

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

Interest rate risk exposure

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

<u>Particulars</u>	(INR lacs)	
	As at <u>March 31, 2023</u>	As at <u>March 31, 2022</u>
Variable rate borrowings	36,04.80	87,70.91
Fixed rate borrowings	-	-
Total borrowings	36,04.80	87,70.91

Sensitivity

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

Interest sensitivity

Interest rates - increase by 1 %	36.05	1,30.07
Interest rates - decrease by 1 %	(36.05)	(1,30.07)

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.

<u>Particulars</u>	(INR lacs)	
	Year ending <u>March 31, 2023</u>	Year ending <u>March 31, 2022</u>
Long-term borrowings	9,56.37	63,70.93
Current maturities of long-term borrowings	6,06.92	16,59.50
Short-term borrowings	20,41.51	7,40.48
Interest accrued but not due on borrowings	-	10.01
Total borrowings	36,04.80	87,80.92
Less: Cash and cash equivalents	15.16	18,71.19
Less: Bank balance other than above	30,01.11	4,77.30
Net debt	5,88.53	64,32.43
Total equity *	2,33,55.71	1,72,02.64
Net debt to equity ratio	2.52 %	37.39 %

* 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 consolidated financial statements.
- b. **Practical expedients applied**
The Group has used the practical expedients permitted by the standard:
 - applying a single discount rate to a portfolio of leases with reasonably similar characteristics
 - accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2019 as short-term leases.
- c. The weighted average lessee's incremental borrowing rate applied for the lease liabilities on April 1, 2019 was 11.25% with maturity between 2020 - 2028.

Xpro India Limited : Consolidated Annual Report 2022/23

- 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	2	4 - 5	4.75
Land	3	69 - 83	76.66

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 consolidated balance sheet and consolidated statement of profit and loss:**

The balance sheet shows the following amounts relating to leases:

	(INR lacs)		
	Category of right-of-use assets		
	Land	Building	Total
Balance as at April 1, 2021	6,86.93	1,98.39	8,85.32
Add: Additions	33.13	-	33.13
Less: Amortisation charged on the right-of-use assets	8.89	28.34	37.23
Balance as at March 31, 2022	7,11.17	1,70.05	8,81.22
Add: Additions	-	73.63	73.63
Less: Amortisation charged on the right-of-use assets	8.89	35.87	44.76
Balance as at March 31, 2023	7,02.28	2,07.81	9,10.09

	Movement in lease liabilities		
	Land	Building	Total
	Balance as at April 1, 2021	-	2,31.64
Add: Interest expense on lease liabilities	-	25.36	25.36
Less: Lease rental paid	-	39.18	39.18
Balance as at March 31, 2022	-	2,17.82	2,17.82
Add: Additions	-	73.44	73.44
Add: Interest expense on lease liabilities	-	27.36	27.36
Less: Lease rental paid	-	55.23	55.23
Balance as at March 31, 2023	-	2,63.39	2,63.39

- g. **Amount recognised in Consolidated Statement of Profit and Loss:**

Particulars	(INR lacs)	
	As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
i) Amortisation of right-of-use assets (classified under Depreciation and amortisation expense)	44.76	37.23
ii) Interest on lease liabilities (classified under Finance costs)	27.36	25.36
iii) Expenses related to short term leases (classified under Other expenses)	31.13	31.62

- h. The total cash outflow for leases for the year ended March 31, 2023 was INR 55.23 lacs (March 31, 2022: INR 39.18 lacs)

- i. **Lease liabilities included in balance sheet:**

Particulars	(INR lacs)	
	As at	As at
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Current	36.44	22.89
Non-current	2,26.95	1,94.93

Xpro India Limited : Consolidated Annual Report 2022/23

j. Future minimum lease payments are as follows: (INR lacs)

As on March 31, 2023

<u>Minimum lease payments due:</u>	<u>Lease Payments</u>	<u>Finance charges</u>	<u>Net present value</u>
Within 1 year	64.23	(27.79)	36.44
1 - 2 years	65.13	(23.45)	41.68
2 - 3 years	75.28	(17.95)	57.33
3 - 4 years	76.27	(11.13)	65.14
4 - 5 years	66.37	(3.57)	62.80
After 5 years	-	-	-
Total	3,47.28	(83.89)	2,63.39

As on March 31, 2022

<u>Minimum lease payments due:</u>	<u>Lease Payments</u>	<u>Finance charges</u>	<u>Net present value</u>
Within 1 year	46.23	(23.34)	22.89
1 - 2 years	46.23	(20.64)	25.59
2 - 3 years	46.23	(17.60)	28.63
3 - 4 years	55.48	(13.72)	41.76
4 - 5 years	55.48	(8.77)	46.71
After 5 years	55.48	(3.24)	52.24
Total	3,05.13	(87.31)	2,17.82

46. 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:

	Year ended <u>March 31, 2023</u>	Year ended <u>March 31, 2022</u>
Revenue from contracts with customers		
(i) Sale of products:		
(a) Coextruded sheets, cast films and liners	3,45,53.62	3,32,97.20
(b) Biaxially oriented films	1,56,35.44	1,25,51.75
(ii) Other operating income	<u>9,07.97</u>	<u>13,23.04</u>
Total revenue covered under Ind AS 115	5,10,97.03	4,71,71.99

B. Contract balances

Information about contract liabilities and receivables from contract with customers:

	Year ended <u>March 31, 2023</u>	Year ended <u>March 31, 2022</u>
Contract liabilities		
Advance received from customers	<u>13.52</u>	<u>1,13.94</u>
Total contract liabilities	13.52	1,13.94
Receivables		
Trade receivables	<u>50,98.39</u>	<u>66,34.46</u>
Total receivables	50,98.39	66,34.46

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

	As at <u>March 31, 2023</u>	As at <u>March 31, 2022</u>
Contract liabilities - Advance received from customers		
Opening balance	1,13.94	10.75
Addition during the year	13.52	1,13.94
Revenue recognized during the year	<u>(1,13.94)</u>	<u>(10.75)</u>
Closing balance	13.52	1,13.94

D. Refer Note No.41 for disclosure regarding two external customers each accounting for over ten percent of the revenue.

Xpro India Limited : Consolidated Annual Report 2022/23

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

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

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

Payment terms with customers vary depending upon the contractual terms of each contract and generally falls in the range of 0 to 120 days from the completion of performance obligation.

47. Pursuant to the special resolution passed at the Extraordinary General Meeting held on December 29, 2021, and relevant regulatory provisions, the Holding Company issued and allotted on January 11, 2022 by way of preferential allotment 19,68,000 warrants at a price of INR 762 each, each warrant carrying a right upon being fully paid-up within a period of 18 months from date of allotment to subscribe to one equity share of face value INR10 of the Holding Company (including premium of INR 752 each). The Holding Company received allotment money of INR 37,49.04 lacs, being 25% of the total warrant price in 2021-22. Promoter group warrant holders, holding 3,28,000 warrants exercised their option in full on payment of the balance 75% (INR 18,74.52 lacs) during the year. As per the offer letter, the issue proceeds may be utilized for growth capital and expansion/diversification requirements (whether organic or inorganic), to meet capital expenditure, to reduce borrowings, to enhance long-term resources and strengthen the financial structure, for meeting working capital requirements and for other general corporate purposes and purposes permitted by applicable laws. The proceeds of the said issue are being fully utilized for the purposes stated.

48. 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

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
(INR lacs)								
<u>2022 - 23</u>								
Parent Company								
Xpro India Ltd.	99.99	233,53.53	100.00	45,36.35	100.00	(21.59)	100.00	45,14.76
Indian Subsidiary								
Xpro Global Ltd.	0.01	2.18	0.00	0.06	-	-	0.00	0.06
	100.00	233,55.71	100.00	45,36.41	100.00	(21.59)	100.00	45,14.82
<u>2021 - 22</u>								
Parent Company								
Xpro India Ltd.	99.99	172,00.52	100.00	44,93.07	100.00	(28.53)	100.00	44,64.54
Indian Subsidiary								
Xpro Global Ltd.	0.01	2.12	0.00	0.11	-	-	0.00	0.11
	100.00	172,02.64	100.00	44,92.18	100.00	(28.53)	100.00	44,64.65

Note: The above figures are after eliminating intra group transactions and intra group balances as at March 31, 2023 and March 31, 2022 respectively

49. Ratios

Ratio	Ratio Formula	Year 2022-23	Year 2021-22	Variance (%)	Explanation for variance
a) Current ratio	<i>Current assets / Current liabilities</i>	1.55	1.53	-	-
b) Debt-equity ratio	<i>Total debt / Shareholder's equity (excluding lease liability)</i>	0.15	0.51	(69.76)	Repayment of term loans; lower working capital borrowing, profit earned and infusion of capital

Xpro India Limited : Consolidated Annual Report 2022/23

Ratio	Ratio Formula	Year 2022-23	Year 2021-22	Variance (%)	Explanation for variance
c) Debt service coverage ratio	<i>Earnings available for Debt Service (i.e. net profit after taxes + interest and lease payment + depreciation and amortization expenses + loss on sale of PPE) / Debt Service (i.e. Interest and lease payments + principal repayments during the year)</i>	0.88	1.18	25.42	Increase in operating profitability, with accelerated reduction in debt, including through pre-payment
d) Return on equity (%)	<i>Profit for the year / Avg. shareholder's equity</i>	22.37	34.31	(34.80)	Increase in profitability along with increase in equity
e) Inventory turnover ratio	<i>Cost of goods sold / Average inventory</i>	7.53	7.51	Neg.	-
f) Trade receivables turnover ratio	<i>Revenue from operations / Average trade receivables</i>	8.71	7.11	22.50	Higher revenue together with improved collection of outstanding trade receivables
g) Trade payables turnover ratio	<i>Purchase of raw materials / Average trade payables</i>	6.51	5.07	28.38	Higher purchase value together with lower average payable
h) Net capital turnover ratio	<i>Revenue from operations / Working capital (i.e. Current assets – current liabilities)</i>	10.88	9.37	16.11	Increase in revenue along with decrease in working capital
i) Net profit before tax ratio (%)	<i>Profit before tax for the year / Revenue from operations</i>	11.60	8.60	34.88	Increase in profitability, together with higher value-added products, and optimisation of product & customer mix
j) Net profit ratio (%)	<i>Profit for the year / Revenue from operations</i>	8.88	9.52	(6.79)	Increase in profitability, together with higher value-added products, and optimisation of product & customer mix, offset by increase in deferred tax expense
k) Return on capital employed (%)	<i>Earning before interest & taxes / Capital employed (i.e. total equity + borrowings including accrued interest)</i>	24.76	20.63	20.02	Increase in profitability
l) Return on investment (%)	<i>Income earned on investment / Average investment</i>	6.46	6.46	-	-

50. During the year West Bengal Electricity Regulatory Commission (WBERC) fixed the power tariff of Damodar Valley Corporation (DVC) for 2017-18 & onwards following which DVC raised a retrospective demand of INR 315.60 lacs on one of the units of the Company. While the demand has been challenged, the Group has made provision for the entire demand in the books of accounts.

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

The Board of Directors of the Holding Company has recommended a dividend of INR 2 per share for the year 2022-23, (March 31, 2022 - INR 2 per share) subject to approval by the shareholders at the ensuing Annual General Meeting of the Holding Company; No liability has been recognised as at March 31, 2023 (Nil as at March 31, 2022).

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

52. **Additional Regulatory Information:**

- There are no immovable properties where the title deeds are not held in the name of the Group (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group);
- There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and related parties, either severally or jointly with another person, that are (i) repayable on demand or (ii) without specifying any terms or period of repayment;

Xpro India Limited : Consolidated Annual Report 2022/23

- c. The Group does not have any Benami property, and no proceedings have been initiated or is pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988;
 - d. The Group has been regular in filing quarterly returns or statements of current assets with banks and those are in agreement with the books of accounts;
 - e. The Group has not been declared a wilful defaulter by any bank or financial institution;
 - f. The Group has no transactions with companies struck off under Sec.248 of the Companies Act, 2013 or Sec. 560 of the Companies Act, 1956;
 - g. The Group does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period;
 - h. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year;
 - i. The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017;
 - j. The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
 - k. The Group does not have any scheme of arrangement which needs to be accounted for in the books of accounts of the Group;
 - l. The Group has not advanced, loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group or (ii) provide any guarantee, security or the like to or on behalf of the Group;
 - m. The Group has not received any funds from any person(s) or entity(ies), including foreign entities with the understanding (whether recorded in writing or otherwise) that the Group shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group or (ii) provide any guarantee, security or the like to or on behalf of the Group;
 - n. The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
53. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified. The Group will give appropriate impact in its consolidated financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
54. Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.
55. The audited consolidated financial results along with the report thereon are also available on the Holding Company's website www.xproindia.com and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
56. The consolidated financial statements were approved for issue by the Board of Directors at their meeting held at New Delhi on May 22, 2023.

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

For and on behalf of the Board

Ashish Gera
Partner
Membership No. 508685
New Delhi
May 22, 2023

Kamal Kishor Sewoda
Company Secretary

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

Sidharth Birla
Chairman
(DIN: 00004213)

C. Bhaskar
Managing Director &
Chief Executive Officer
(DIN: 00003343)