

XPRO INDIA LIMITED : ANNUAL REPORT 2019/20

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of Xpro India Limited will be held on Tuesday, September 29, 2020 at 10.30 a.m. through Video Conferencing ("VC") / Other Audio Video 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, 2020 and the Auditors' report thereon.
2. To appoint a Director in place of Smt. Madhushree Birla (DIN: 00004224) who retires by rotation and being eligible, offers herself for reappointment.

SPECIAL BUSINESS:

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

3. AS A SPECIAL RESOLUTION

"RESOLVED that pursuant to the Articles of Association of the Company and provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any re-enactment thereof, the Company hereby approves the re-appointment of Sri Sidharth Birla, Chairman in the whole time employment of the Company whose office shall not be liable to retirement by rotation under the Companies Act, 2013 for a period of three years with effect from March 1, 2020 to February 28, 2023 subject generally to the Rules as laid down by the Board, at remuneration by way of salary, commission, perquisites and other allowances as detailed herein below:

- i) Salary, commission (not exceeding 2% of the net profits), perquisites and other benefits/allowances (as per the rules of the Company) as may be decided by the Board of Directors from time to time subject in aggregate to a maximum of 5% of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 or any re-enactment thereof, as may be applicable; or
- ii) Where in any financial year the Company has no profits or its profits are inadequate, the Company shall pay remuneration to Sri Sidharth Birla by way of salary, house rent allowance, special allowance and other benefits/allowances (as per the rules of the Company) as may be approved by the Board of Directors of the Company from time to time as minimum remuneration upto an aggregate amount of Rs.20.00 lakhs per month.

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

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

- a) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- b) encashment of un-availed leave at the end of the tenure."

4. AS AN ORDINARY RESOLUTION

"RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable for the year 2020-21 to M/s Sanghavi Randeria & Associates, Cost Accountants, Mumbai (Firm Registration No. 00175) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for

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the financial year 2020-21, amounting to Rs.1,00,000/- (Rupees One Lakh) 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
June 24, 2020

By Order of the Board

Registered Office:

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

S.C. JAIN
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 each item of Special Businesses to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) 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 MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to cosec@xproindia.com with a copy marked to helpdesk.evoting@cdslindia.com.
5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 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 and Annual Report 2019-20 will also be available on the Company’s website www.xproindia.com, 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 in this Notice.
8. In terms of the MCA Circulars, the businesses set out in the Notice will be transacted by the members only through remote e-voting or through the e-voting system provided during the meeting while participating through VC facility. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
9. The Register of Members of the Company will remain closed from September 22, 2020 to September 29, 2020 (both days inclusive).
10. Members who continue to hold shares in physical form are requested to intimate any changes in their address immediately with postal pin code to the Company’s Registrar & Share Transfer Agents, M/s MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata – 700 045, quoting their folio numbers. **Further, please note that in the case of dematerialized shares any change(s) required in Address, Bank details, Bank Mandate, ECS Mandate, Power of Attorney and also requests for registration of Nomination, Transmission, etc., are to be intimated to your DP and not to the Company or our Registrars.**
11. Members are requested to provide their e-mail ID to the Registrars, M/s MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata - 700 045 (mcssta@rediffmail.com), if shares are held in physical form or to their respective Depository Participants if shares are held in Demat form.

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12. Electronic copy of Annual Report for the year 2019-20 and Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participants(s) for communication purposes.

13. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for year 2019-20 will also be available on the Company's website, www.xproindia.com, for their download.

14. Voting through electronic means

I. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), 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). The instructions for e-voting are as under:

- a) Log on to the e-voting website: www.evotingindia.com during the voting period.
- b) Click on "Shareholders" tab.
- c) Now Enter your User ID:
 - (i) a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (ii) Next enter the Image Verification as displayed and Click on Login.
- d) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- e) If you are a first time user, please follow the steps given below. Now, fill up the following details in the appropriate boxes:
For Members holding shares in Demat / Physical Form

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

- f) After entering these details appropriately, click on "SUBMIT" tab.
- g) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.
Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- h) For Members holding shares in physical form the details can be used only for e-voting on the resolutions contained in this Notice.
- i) Click on the EVSN against the Company's name for which you choose to vote i.e. XPRO INDIA LIMITED.
- j) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- k) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- l) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "cancel" and accordingly modify your vote.
- m) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- n) You can also take a print out of the voting done by you by clicking on "Click here to print" option on the Voting page.
- o) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code and click on Forgot Password & enter the details as prompted by the system.

- p) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- q) 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.
- II. 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 the toll free number: 1800-200-5533.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013.
- III. **The e-voting period commences on September 26, 2020 (9 a.m.) and ends on September 28, 2020 (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 September 22, 2020, 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.
- IV. 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 September 22, 2020.
- V. Sri K. C. Khowala, Practicing Company Secretary (Membership No. ACS 4695 & CP No.2421) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company, or a person duly authorised, who shall countersign the same and thereafter, the Chairman or the person so authorised, shall declare the results of the voting forthwith. This Notice as well as the Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL and communicated to the NSE immediately.
15. Process for those members whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:
- I. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 - II. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.
16. **Instructions for members for attending the AGM through VC / OAVM are as under:**
- I. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
 - II. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 - III. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - IV. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

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- V. 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. The Company reserves the right to restrict the number of speakers depending on availability of time for the AGM.
- VI. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
17. **Instructions for members for e-voting during the AGM are as under:-**
- I. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 - II. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 - III. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
 - IV. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
18. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to cosec@xproindia.com.
19. Members are hereby informed that the Company would transfer unpaid/unclaimed dividends, which remains 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. Details of dividends paid by the Company and respective due dates for transfer of unclaimed dividend to such IEP Fund of the Central Government are as under:

Financial Year	Date of Declaration	Due date for transfer to IEP Fund
2012-13	July 26, 2013	September 1, 2020

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 indicated hereinabove. Members are advised to claim/encash dividend warrants before due dates for transfer of unclaimed dividend to the IEP Fund. However, unclaimed amount once transferred to IEP Fund after due date, can be claimed by members from the Authority constituted by the Central Government under section 125 of the Companies Act, 2013 in this behalf.

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

Item No. 2

In terms of Section 149, 152 and other applicable provisions of the Companies Act, 2013, effective from 1st April, 2014, for the purpose of determining the directors liable to retire by rotation, Independent Directors shall not be included in the total number of directors of the Company. Smt. Madhushree Birla shall accordingly retire at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment.

Smt. Madhushree Birla, aged about 65 years, graduate from University of Ahmedabad, was first appointed on the Board of the Company in the year 2004. She has served as Director and Advisor of various Corporate Bodies at different times. She is presently Executive Director of iPro Capital Limited, renders professional advisory services and is also engaged in social work.

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

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

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

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Item No. 3

Sri Sidharth Birla was appointed as a Whole-time Director of the Company designated as Chairman since March 1, 2000. Sri Birla's term as Whole-time Director expired on February 29, 2020. The Remuneration & Nomination Committee as well as the Board of Directors at their meetings held on January 13, 2020 and February 11, 2020 respectively have unanimously approved the re-appointment of Sri Sidharth Birla in the whole time employment of the Company for a period of three years with effect from March 1, 2020 upto February 28, 2023 on the payment of remuneration as proposed in the resolution, subject to the approval of the members of the Company in General Meeting.

During Sri Sidharth Birla's long association with the Company as the Chairman, he has contributed greatly in the Company achieving its present position and particularly on matters relating to corporate governance, communicating with stakeholders, holding of high level reviews of strategy/plans and on matters relating to expansion, development and diversification of the Company's businesses.

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

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

I. General Information:

1	Nature of Industry	Polymer Business (diversified)																
2	Date or Expected date of commencement of commercial production	The Company has Manufacturing units at different locations where commercial production first commenced as per details below: a) Barjora, West Bengal - 1991 b) Barjora Unit II, West Bengal - 2014 c) Greater Noida, Uttar Pradesh - 2003 d) Ranjangaon, Maharashtra – 2008																
3	In case of new companies, expected date of commencement of activities as per projects approved by financial institutions appearing in the prospectus	Not Applicable																
4	Financial performance based on given indicators	The net profit after tax, net sales and foreign exchange earned through exports (FOB Value)/deemed exports for last three years were as follows: <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Year</th> <th style="text-align: right; border-bottom: 1px solid black;">Net Profits</th> <th style="text-align: right; border-bottom: 1px solid black;">Revenue</th> <th style="text-align: right; border-bottom: 1px solid black;">Exports</th> </tr> </thead> <tbody> <tr> <td>2017-18</td> <td style="text-align: right;">10.45</td> <td style="text-align: right;">314.47</td> <td style="text-align: right;">6.00</td> </tr> <tr> <td>2018-19</td> <td style="text-align: right;">2.29</td> <td style="text-align: right;">346.07</td> <td style="text-align: right;">8.29</td> </tr> <tr> <td>2019-20</td> <td style="text-align: right;">1.21</td> <td style="text-align: right;">354.84</td> <td style="text-align: right;">6.14</td> </tr> </tbody> </table> (in Rs. Crores)	Year	Net Profits	Revenue	Exports	2017-18	10.45	314.47	6.00	2018-19	2.29	346.07	8.29	2019-20	1.21	354.84	6.14
Year	Net Profits	Revenue	Exports															
2017-18	10.45	314.47	6.00															
2018-19	2.29	346.07	8.29															
2019-20	1.21	354.84	6.14															
5	Foreign Investments or Collaborations, if any	Nil																

II. Information about appointee:

1	Background details	Sri Sidharth Birla an Industrialist aged about 63 years with experience in industry and business of over 42 years, is a Science Honors Graduate and holds a Master's Degree in Business Administration from IMEDE (now called IMD), Lausanne, Switzerland. He has also attended various management programs at the Harvard Business School, Boston, USA, including the Owner/President Management Program, Making Corporate Boards More Effective, etc.
2	Past remuneration	For the year 2019-20: Salary: Rs. 96.00 lacs; Other perquisites: Rs. 13.14 lacs Encashment of unavailed leave at end of tenure: Rs. 6.67 lacs
3	Recognition or Awards	- Past President of Federation of Indian Chambers of Commerce and Industry (FICCI). - Member, Board of Governors, Birla Institute of Technology & Science, Pilani - Member of the 19 th , 21 st and 22 nd Council(s) of the Institute of Chartered Accountants of India (Nominee of Central Government).

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4	Job Profile and its Suitability	He has been appointed in a wholetime capacity to provide inputs on matters relating to corporate governance, communicating with stakeholders, holding of high level reviews of strategy/plans, besides his valuable advice and guidance to the senior management in setting the Company's strategic direction in a dynamic, economic environment including providing necessary assistance and suggestions in matters relating to expansion, development and diversification of the Company's businesses. He has been associated with the businesses of the Company since 1984. Considering his background, he is eminently suitable to hold the position of Chairman in the Company.
5	Remuneration proposed	As per details contained in the Notice for the Annual General Meeting.
6	Comparative remuneration with respect to Industry Standards	The proposed remuneration is in line with remuneration payable to the Directorial personnel holding similar stature/position in the Industry.
7	Any Pecuniary Relationship	Besides remuneration, Sri Sidharth Birla is promoter director of the Company where he and his family members directly hold 1.73% of the Equity Shares of the Company, and also have interest in promoter group companies holding 48.29% of the Equity Shares of the Company.

III. Other Information:

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

IV. Disclosures:

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

Item No. 4

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Sanghavi Randeria & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the year 2020-21 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
June 24, 2020

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

By Order of the Board

S.C. JAIN
Company Secretary
e-mail: cosec@xproindia.com
Tel.: +91-33-40823700
website: www.xproindia.com