35TH ANNUAL REPORT 2015 -16

winsome
Textile Industries Ltd.

COMPANY INFORMATION

BOARD OF DIRECTORS

Shri Ashish Bagrodia	Chairman & Managing Director
Shri Chandra Mohan	Independent Director
Shri Satish Girotra	Independent Director
Shri Amrit Lal Batra	Independent Director
Smt. Neena Singh	Independent Director

PRESIDENT & CHIEF EXECUTIVE OFFICER

Shri Anil Sharma

CHIEF FINANCIAL OFFICER

Shri Sanjay Kedia

COMPANY SECRETARY

Shri Sourabh Gupta

STATUTORY AUDITORS

M/s Lodha & Co.

Chartered Accountants

COST AUDITORS

M/s Aggarwal Vimal & Associates

Cost Accountants

SECRETARIAL AUDITORS

Shri Ramesh Bhatia

Practicing Company Secretary

BANKERS

UCO Bank

Central Bank of India

Andhra Bank

Bank of India

Canara Bank

Vijaya Bank

Punjab National Bank

Dena Bank

Axis Bank

REGISTERED OFFICE

1, Industrial Area, Baddi

Distt. Solan (H.P.) - 173205

CORPORATE OFFICE

SCO 191-192, Sector 34-A

Chandigarh – 160022

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.

44, Community Centre, 2nd Floor

Naraina Industrial Area, Phase-1

Near PVR, Naraina, New Delhi-110028

CORPORATE IDENTIFICATION NO.(CIN)

L17115HP1980PLC005647

CONTENTS

Chairman's Message	1
Management Discussion & Analysis	8
Director's Report	27
Corporate Governance Report	68
Auditor's Report	85
Balance Sheet	95
Statement of Profit & Loss Account	96
Cash Flow Statement	97
Significant Accounting Policies & Notes on Financial Statements	98
Notice	135

CHAIRMAN'S MESSAGE

Dear Shareholders,

I would like to congratulate all stakeholders for the continuous growth Winsome Textile has witnessed over the years including in current financial year. We started as a spinning unit, today we have grown from 16,000 spindles to 106,000 spindles, dye house with capacity of 29 tons per day and yarn dyed knitted fabric capacity of 6 tons per day with full integration covering the value chain of industry and providing 100 % value added products to our clients.

Our vision have been to emerge as a 'Global player in innovative and value added textile'. Innovation has been our passion and with continuous efforts, we have emerged as a major player in industry with our differential approach of providing maximum value addition in our products. Our passion has led us to maximize our value added products to 100% of our overall production.

FY 2015-16 was not a great year for world economy as the issues like commodity prices, unrest in Middle East, slowing economy in oil producing nations and slowing growth rate of developed countries kept the world economy at back foot. Despite of a struggling global economy, India emerged as the fastest growing economy banking on reforms placed by government which is creating a positive environment for Indian Industries. Although for textile industry the concerning factor is recent policies implemented by China regarding import of yarn & cotton which has brought the industry on back foot. China has recently reduced import of cotton & yarn which has been primary market for Indian textile spinning companies and these recent restrictions are hurting the industry growth.

FY 2015-16 was not so significant in terms of revenue growth for our company although we have shown marginal growth in our revenue as compared to negligible growth in overall industry. We have shown increase in our revenue in such a crucial time when the industry is struggling. Our margins have significantly improved with our efficient integrated model which allows us to reduce costs. Due to integration we have been able to identify the value addition in our products on each activity level and this helps us to derive our strategy accordingly.

Our manufacturing EBITDA increased by 4% as compared to previous year despite the fact that revenue increased by marginal 1% which reflects our operational efficiency and commitment towards value addition. Our manufacturing EBITDA margin increased to 18% as compared to 17% in previous year which is higher than our peer groups.

With increasing efficiency and cost reduction, we have been able to increase our profit margins over the year. We have been able to increase the efficiency of our operational assets to use them at their full potential. Our net earnings increased by 59% as compared to previous year providing more value to our shareholders.

At the same time we have been able to bring down our total debt to equity ratio to 2.2x from 2.8x since last financial year. Our current approach is to bring down our debt to equity ratio at optimum level where we could minimize our cost of capital.

Our operational efficiency has significantly improved as our production has been increased on the same capacity as compared to last financial year. We continue to develop & modernize our infrastructure with the latest machineries and also increasing our skilled

manpower accordingly. We emphasize on quality of our products, considering that we have also equipped our R&D department with latest technology. Our quality parameters are benchmarked with world standard as different products passes through multilayer of testing before the final delivery of product. We are investing in power saving programs at different levels for the conservation of energy which have helped us in reducing our power cost with a significant margin.

Our customer base has been increasing with significant growth as we are exporting to more than 50 countries all across the globe. Our quality product has been in demand and our ability of improvisation as per the requirement of our customers allowing us to penetrate in unexplored territories where there is a huge market to grow. Our differential product offering have helped us in retaining our customers and Integrating the knitting process into our value chain has helped us in providing final product to our customers which helps them to get the product in lesser time on lesser price.

We are increasing our product range with time, our research and development teams is continuously busy in innovating with our products allowing us to offer new products on timely basis. We have developed ability to customize our products with customer requirements. We have been able to provide different blends of yarn in different shades.

We believe that, if a company needs to use their full potential, they need to respect their human resources and we at Winsome not only own the responsibility of developing our manpower technically but also take onus of the overall development and mental & psychological well-being of our employees. To fulfill this objective, Art of Living workshops are being conducted on regular basis to cover all our staff and workers, which has led to self-development, spiritual enlightenment and improving the happiness quotient amongst our employees. To attain and maintain quality, efficiency and effectiveness in an organization there is an ever present need for unremitting up gradation of employees through training.

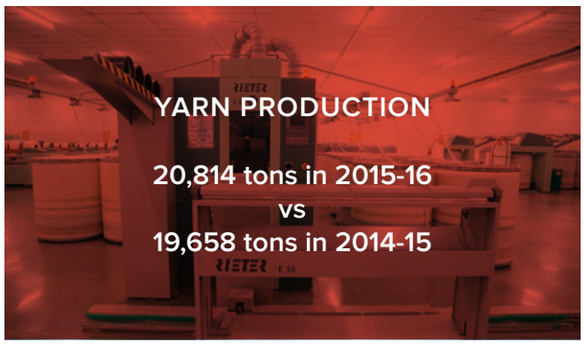
Our growth strategy is blend of differentiation and low cost advantage. We are constantly looking for new opportunities in the market at both domestic and global level. We differentiate our products in every manner as compared to our competitors by infusing maximum value to them and at the same time we manage to keep our manufacturing costs on the lower side. Innovation is and will remain the basic growth ingredient for us as we will keep working on bringing new products in market and explore new opportunities. In addition to that we are working on rebranding of our company to reach its maximum potential. We will be investing in domestic and international marketing with the target of creating a brand value for Winsome in textile market at both domestic and global scale.

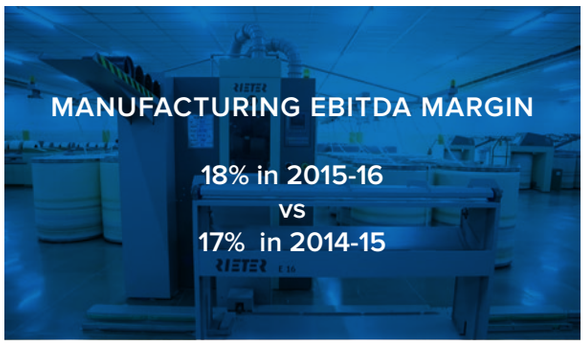
I would like to show my regards to all my colleagues across the country and the globe for their tremendous dedication, commitment and contribution to strengthening Winsome. We are continuously working forward to fulfill our mission of generating maximum value for our stakeholders.

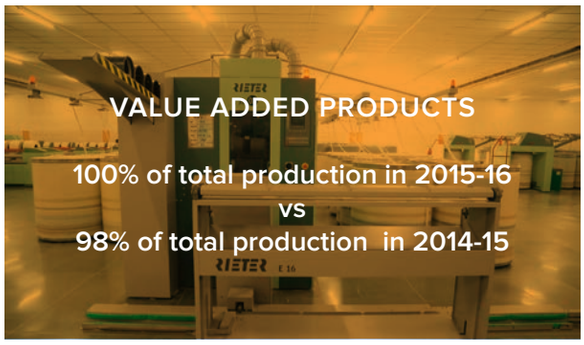
I would like to pay my sincere appreciation to the Board of Directors for their guidance. I would like to express my gratitude to all our stakeholders for their continuing faith in Winsome.

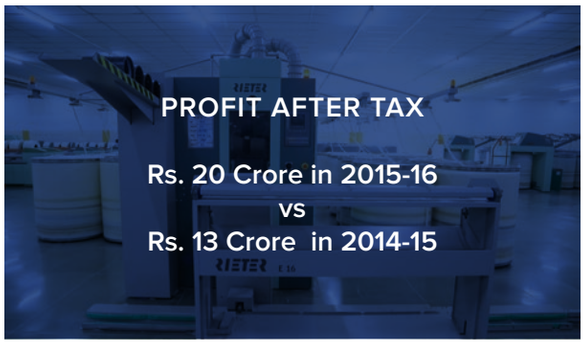
Yours Sincerely,
Ashish Bagrodia
Chairman & Managing Director

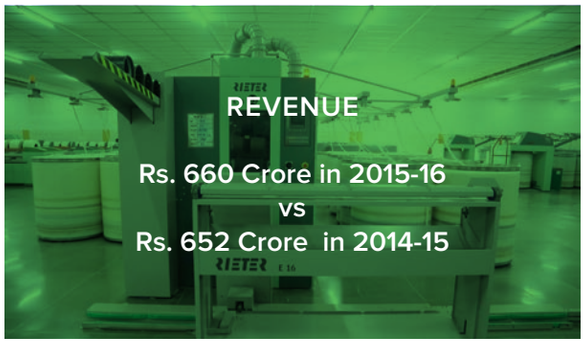
Highlights of the year

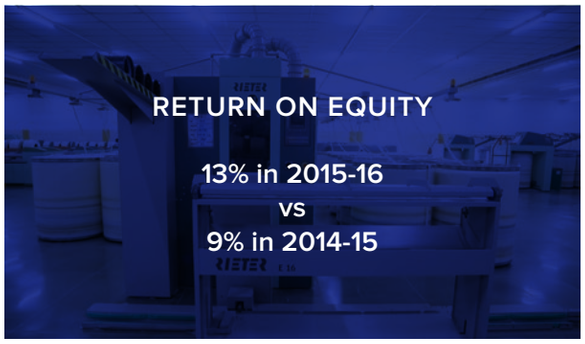


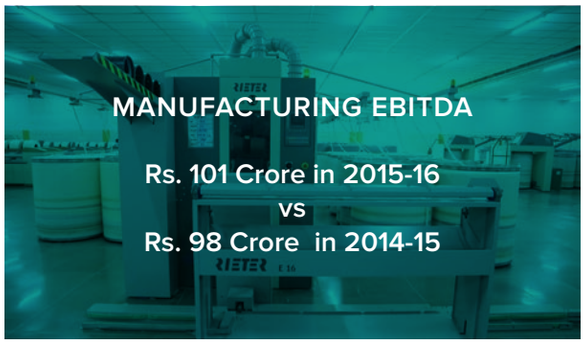


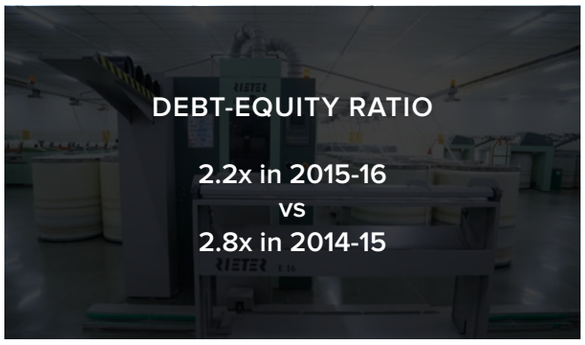










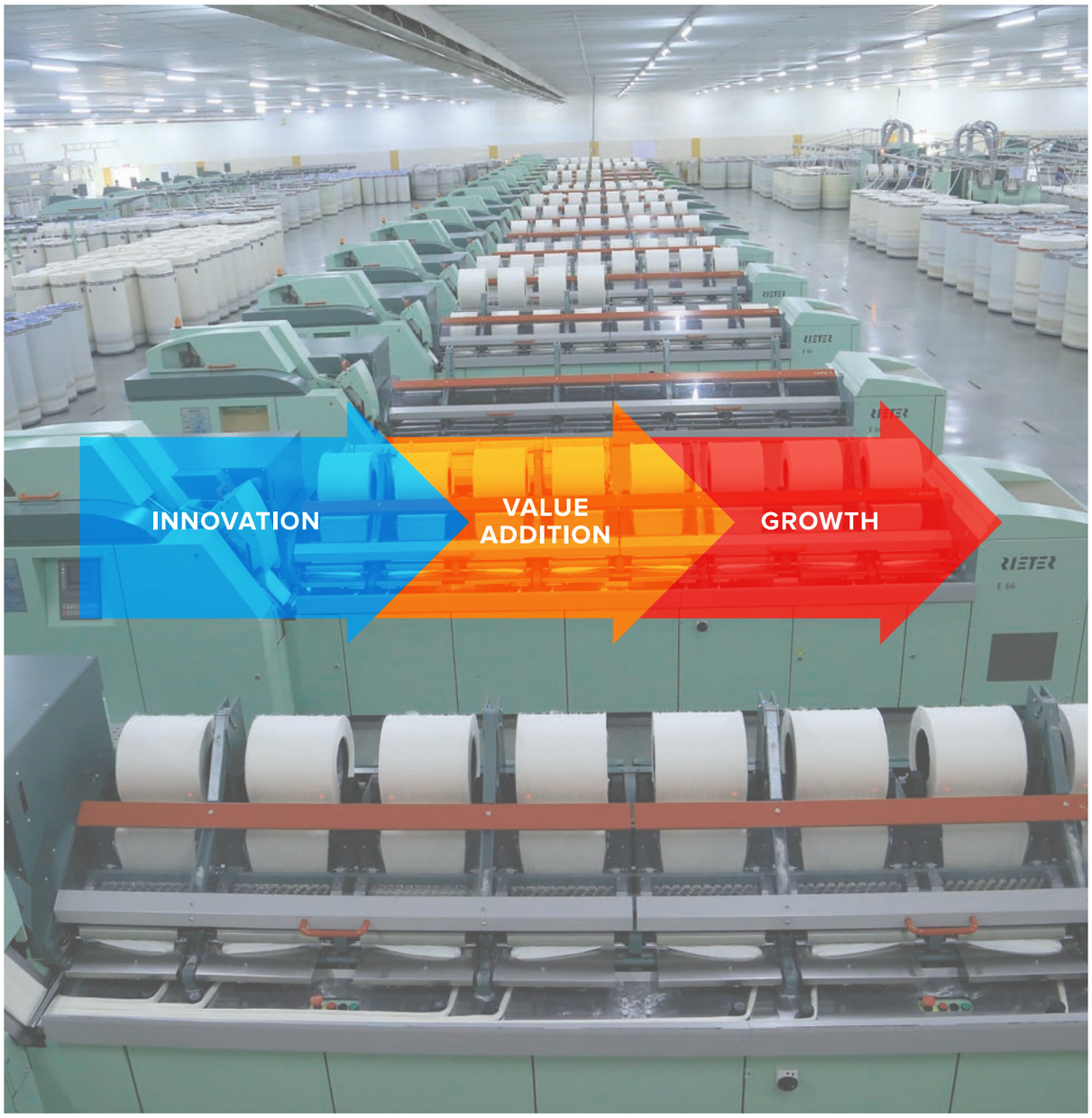


WINSOME'S JOURNEY TOWARDS EXCELLENCE

Passion for *Innovation*

In the industry full of companies, we differentiate ourselves as a company whose passion is innovation. We believe in thinking out of the box and developing products ahead of their time. We have placed ourselves as a company which always deliver additional value for the money.

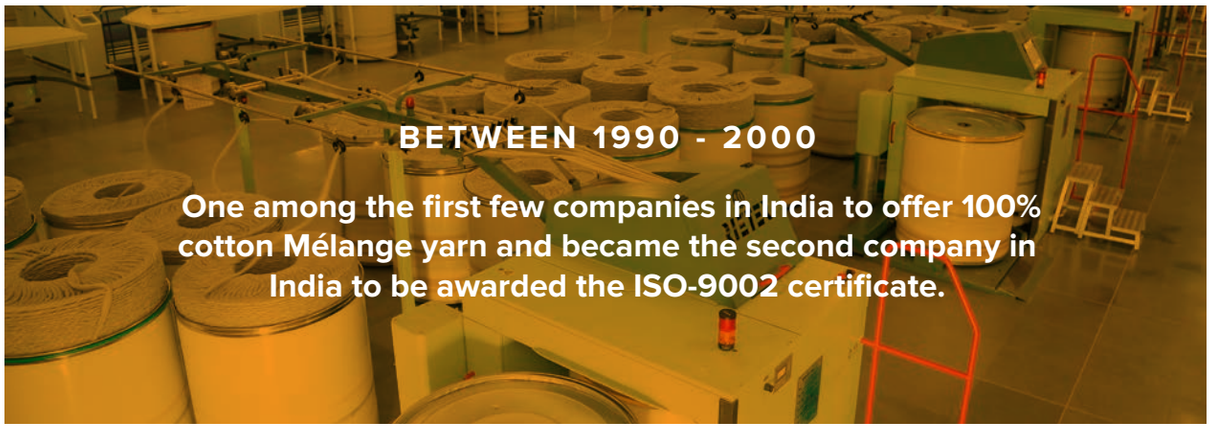
It reflects in our value added products which are 100 % of our production.



Our Journey through Decades

BETWEEN 1980-1990

Winsome Textile Industries Ltd. was established in 1980 at Baddi, HP. Winsome established itself as a first company in India to offer 100% acrylic (non bulk) fiber dyed yarns.



BETWEEN 1990 - 2000

One among the first few companies in India to offer 100% cotton Mélange yarn and became the second company in India to be awarded the ISO-9002 certificate.

BETWEEN 2000 - 2010

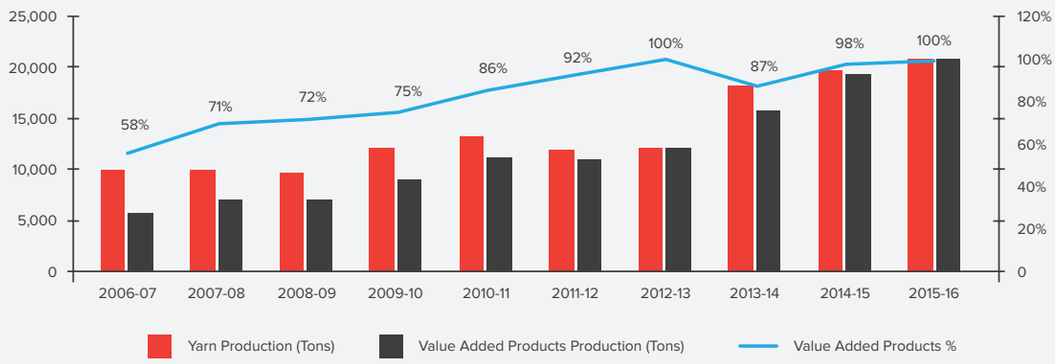
Received the honour to become first company in the north zone to achieve ISO-4001 and ISO-18001 certification meeting the global standard.

2010 AND BEYOND

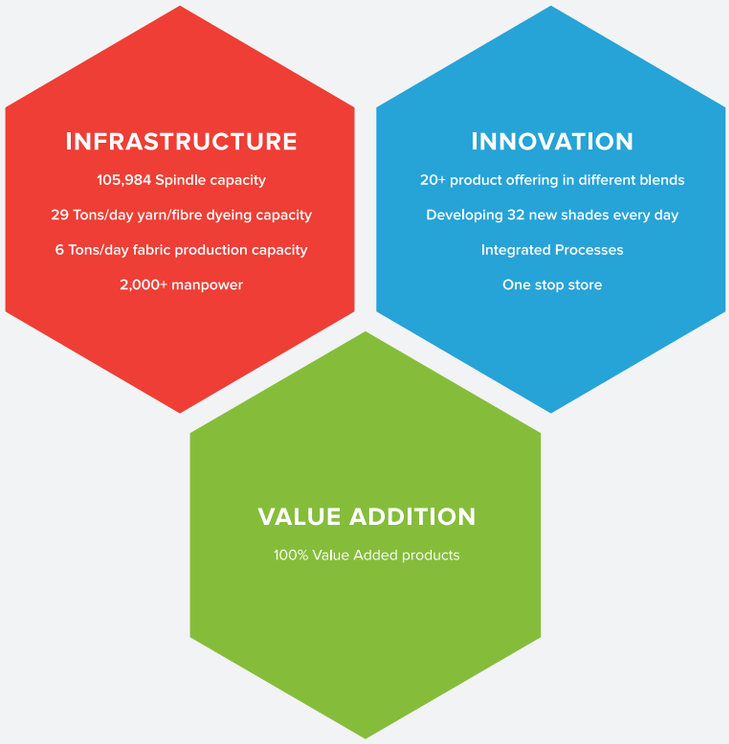
Winsome has become synonym of Mélange in India providing 100% value added products. Winsome now recognised as one of the leading exporter of processed yarn from India.

Innovation and value addition has been the core value of Winsome. We always try to add maximum value to our product offerings. Our ultimate goal has been to understand the need of our customer and provide more value through our products. Under our value addition strategy, we have designed a model to connect all the processes which helps us in accessing the value addition at each activity level. In addition to that, due to the integration, we are able to identify the key issues in our processes which helps us in reducing cost.

We have our own research & development team which keeps working on innovative ideas to maximize the value addition in our products. With the constant improvisation we have able to increase our value added products production from 58% in FY 2006-07 to 100% in FY 2015-16.



Value in Value Addition



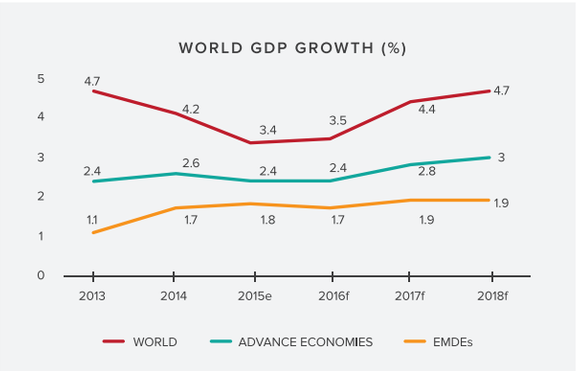
MANAGEMENT DISCUSSION AND ANALYSIS
CHANGING ECONOMIC FACTORS

Global Economic Review

Global Economy has been sluggish in recent times with low commodity prices, weak global trade and diminishing capital flows. World Bank has recently forecast down the global economic growth to 2.4% from the earlier projection of 2.9% in January 2016.Commodity exporting emerging market and developing economies have struggled to adapt to lower prices for oil and other key commodities.

Weakness in emerging market and developing economies in 2015 has carried over into 2016. Aggregate growth for this group is projected at 3.5 percent in 2016, only marginally up from a post-crisis low of 3.4 percent in 2015. However, there are substantial differences in economic prospects between commodity exporters and importers. Regions with a large number of importers (East Asia and Pacific, South Asia) are expected to show resilience, while the outlook for regions with a sizable number of exporters (Latin America and the Caribbean, the Middle East and North Africa, Sub-Saharan Africa) continued to deteriorate since the start of the year.

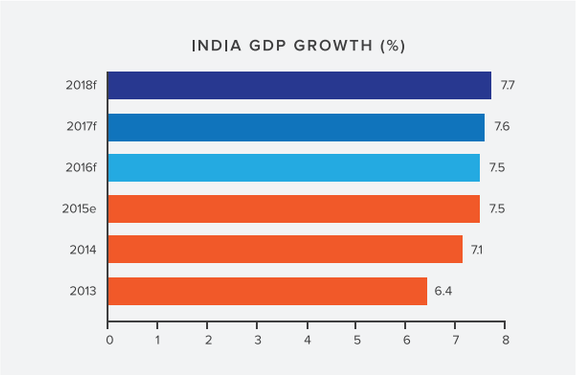
Emerging market and developing economies (EMDEs) are struggling because of decrease in import from developed economies .Global economic growth is expected to pick up to 3% by 2018, as stabilizing commodity prices provide support to commodity exporting EMDEs.



Source: World Bank

Indian Economic Review

Despite of Sluggish Global Economy, Indian Economy has performed very well relying on reforms promised by government, RBI's inflation focus with additional support by benign global commodity prices. As per Central Statistics (CSO) and International Monetary Fund (IMF) India has emerged as the fastest growing major economy in the world.



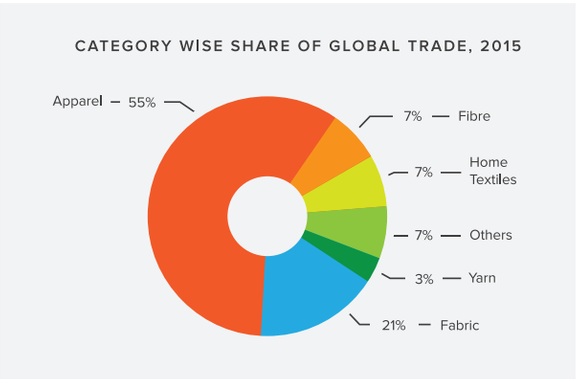
Source: World Bank

Initiative like 'Make in India' have improved the FDI flow in India. Numerous foreign companies are setting up their facilities in India which also bring the latest technology helping in increasing Industrial Output. Overall Industrial output has shown considerable growth recently and consumer confidence has been improved. The future of Indian Industries seems bright although unstable global economy still slows down the pace of full potential growth.

TRÜTZSCHLER

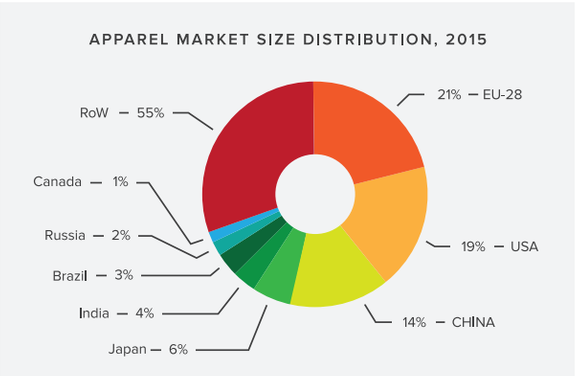
INDUSTRY OVERVIEW

Future of Global Textile & Apparel Trade seems bright with increasing market all across the globe and the increasing contribution of developing economies. Apparel constitutes more than half of share of global textile & apparel trade followed by fabric.

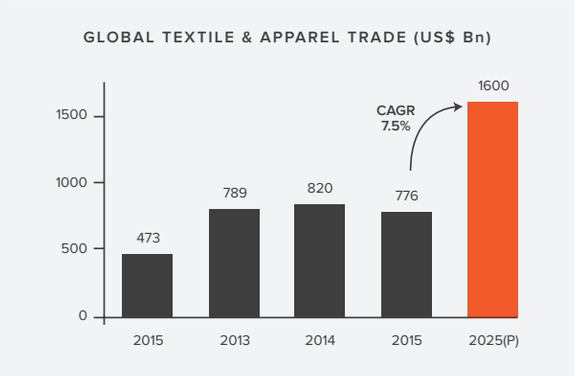


Source: UN Comtrade

Total global Apparel market size in 2015 was USD 1,685 billion and it is expected to reach around USD 2,600 billion by 2025. While the Apparel market is mostly concentrated into EU & USA, developing countries like China, India & Russia are emerging as future market for apparel consumption. Emerging middle class with increasing per capita apparel spending is a major force which is driving the consumption in developing economies. This potential domestic market is providing boost to local textile manufacturers.

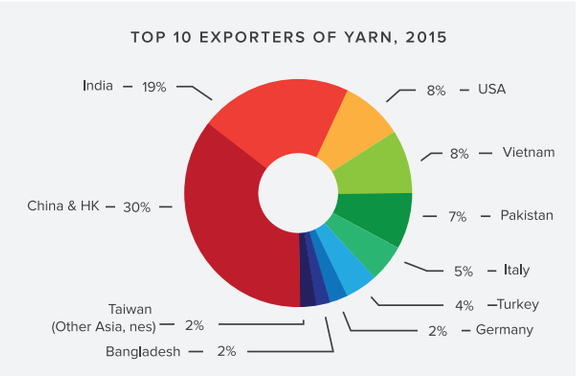


Source: UN Comtrade & Wazir Analysis

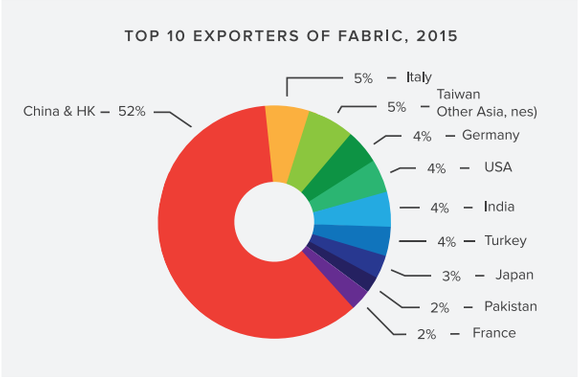


Source: UN Comtrade & Wazir Analysis

China & EU-28 are major exporters of textiles however share of EU-28 in textile export has gradually decreased in last 15 years whereas the base has shifted towards Asia with countries like China & India are gaining market share in textile export. Asia's share in global export of fiber has been continuously growing in last 10 years. The major driving force behind this shift has been the lower cost of production in Asian countries. Similar trend has been noticed with the export of yarn, fabric and apparel where share of Asia in export of these commodities has increased significantly.



Source: UN Comtrade & Wazir Analysis



Source: UN Comtrade & Wazir Analysis

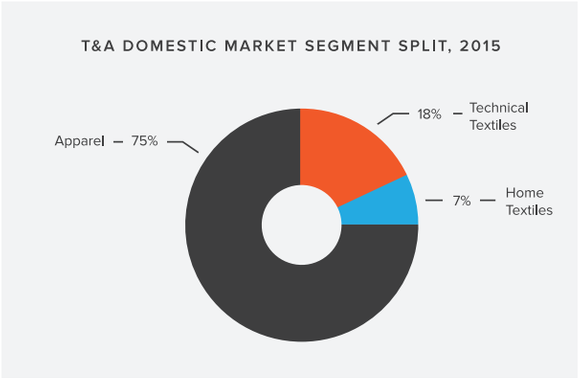
China & India has played a major role in Asia's growth story whereas countries like Pakistan, Bangladesh & Vietnam are also contributing for the cause. Vietnam & Bangladesh are emerging as major player in apparel exports.

Indian Textile Industry Overview

Textile and apparel sector is a major contributor to India's total export earnings with 12% share but it has declined considerably over the years.

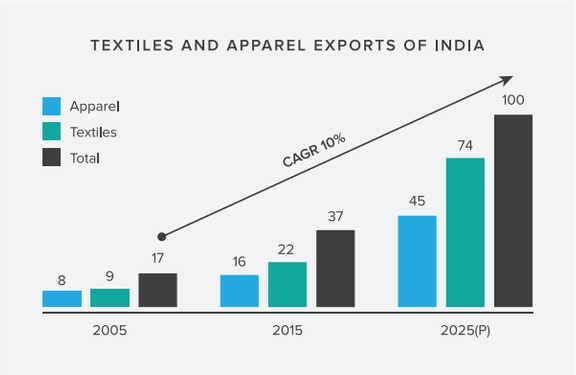
The Current Indian textile and apparel market is estimated to be USD 79 billion which is expected to grow at 12% CAGR to become USD 255 billion by 2025.

Apparel is the major segment with 75 % market share and value of USD 59 billion followed by technical textiles with 18% market share. Technical textiles is emerging as a promising segment with expected CAGR growth of 24%.

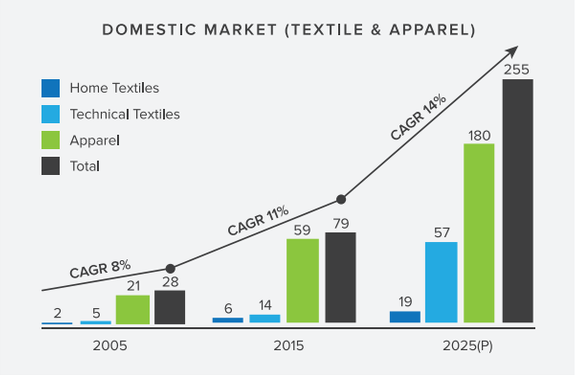


Source: Ministry of Textiles, UN Comtrade & Wazir Analysis

India's textile and apparel exports were around USD 37 billion in 2015.India's export have grown over the years at the rate of around 8% CAGR and expected to reach up to USD 100 billion by 2025 growing with CAGR of 10%.



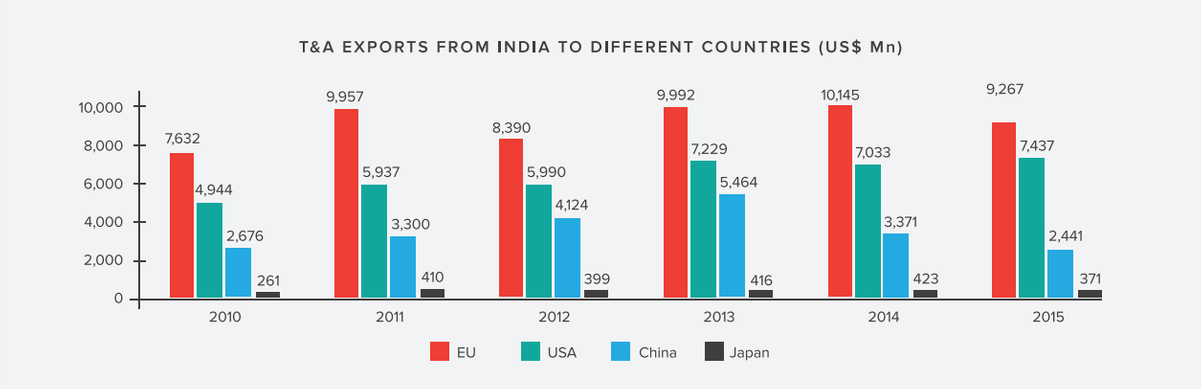
Source: UN Comtrade & Wazir Analysis



Source: Ministry of Textiles, UN Comtrade & Wazir Analysis

India's Export to Major Countries

India exports majorly to EU-28, USA, China & Japan where EU-28 occupies the highest share.EU-28 occupied the 25% of total T&A export from India in 2015 and has been almost constant in last five years. USA is second biggest importer of Indian T&A with 20% share in 2015 and it has shown an impressive growth in last five years.

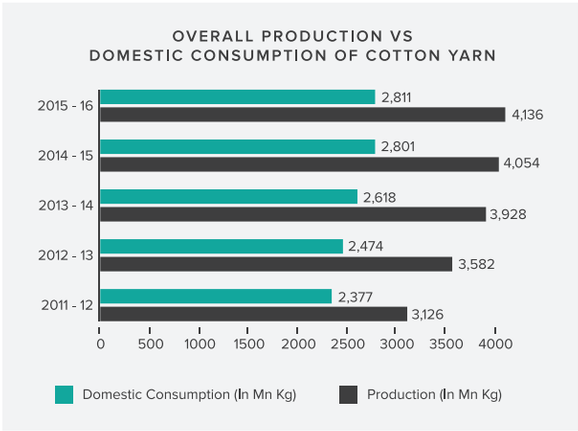


Source: UN Comtrade & Wazir Analysis

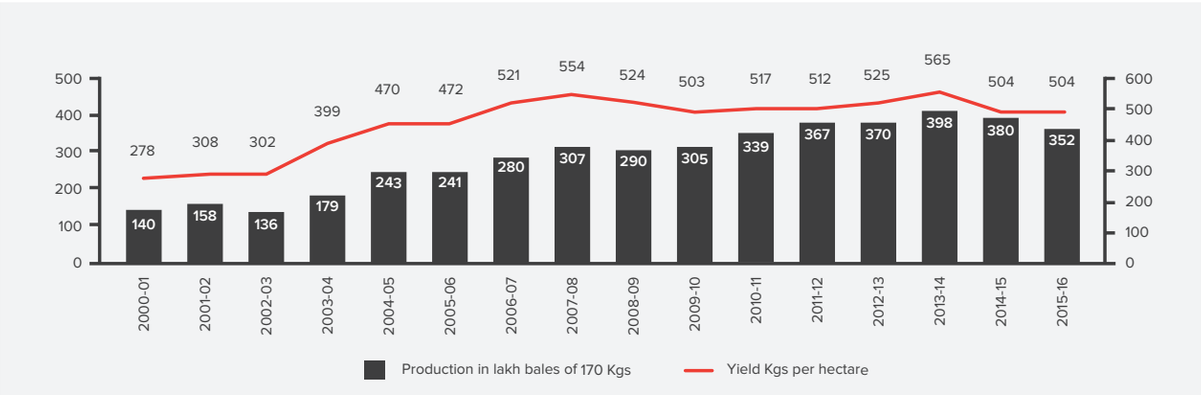
Cotton Industry Overview

India has become the largest cotton producer of the world by surpassing China to gain the top position in 2015.China produced 6.48 million tons of cotton against 6.51 million tons produced by India (The data for the year came from the International Cotton Advisory Committee).

Cotton production in India has increased by 151% from 2000 to 2015 with a CAGR of 6% whereas Yield (Kgs per Hectare) has increased by 81% from 2000 to 2015 with CAGR of 4%.



Source: TEXPROCIL



Source: UN Comtrade & Wazir Analysis

India exports a significant share of cotton produced whereas majority of share is consumed by domestic manufacturers.

Indian Spinning Industry

India is a hub of spinning industry majorly in cotton spinning. In last decade Cotton yarn has accounted for around 72% of total yarn production whereas Blended & 100% Non – Cotton yarn has accounted around 28% of the total yarn production. Number of Installed Spindles has shown a significant increase over the years whereas the total production of yarn in the same time has grown with a better rate which shows that the Capacity has been improving with the time due to introduction of latest technology.

With the increasing demand of Blended & 100% Non-cotton Yarn in the market, Indian textile

manufacturing companies are diversifying their product ranges by involving more of Blended & 100% Non-cotton Yarn.

AVERAGE CAPACITY UTILIZATION IN MILL SECTOR & PRODUCTION OF SPUN YARN

	Installed Spindles (Million)	Production (Million Kg.)	
		Cotton Yarn	Blended & 100% Non-Cotton Yarn
2006 - 07	39.50	2,823.59	989.79
2007 - 08	39.07	2,948.36	1,054.86
2008 - 09	42.34	2,896.16	1,015.87
2009 - 10	42.04	3,079.39	1,114.46
2010 - 11	47.57	3,489.77	1,222.85
2011 - 12	48.25	3,126.10	1,246.01
2012 - 13	49.17	3583.68	1285.03
2013 - 14	49.46	3928.26	1381.06
2014 - 15	50.13	4054.51	1433.12
2015 - 16(P)	51.26	4138.49	1525.18

Source: Textile Commissioner's Office, Mumbai

Key Performance Indicators

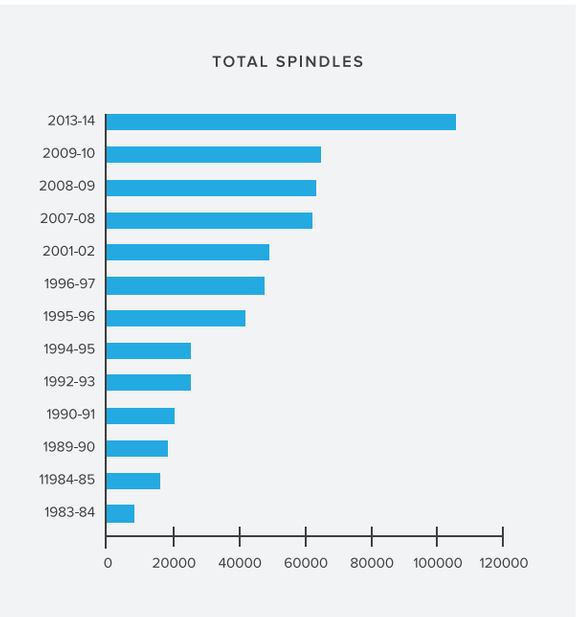
These are the key performing indicators which clearly define the growth story of our company.

INTERNAL CONTROL SYSTEM

The Company has a well-established framework of internal controls in all areas of its operations, including suitable monitoring procedures and competent personnel. Based on the report of the internal auditor, respective departments undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The Audit Committee is headed by an Independent Director as Chairman of said Committee and this ensures independence of functions and transparency of the process of supervision. The Committee meets to review the progress of the internal audit initiatives, significant audit observations, planning and implementation of follow-up action required. The Company conducts its business with integrity & high standard of ethical behavior and in compliance with the laws and regulations that govern its business.

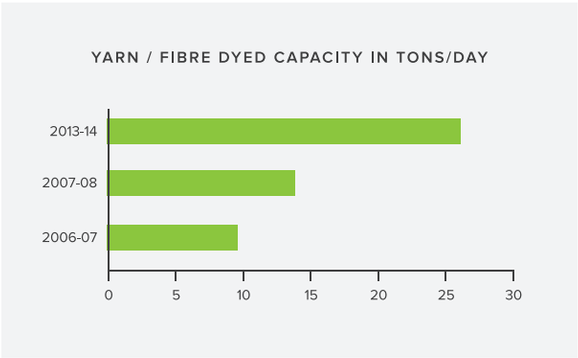
NUMBER OF SPINDLES

Number of spindles haven been increased by 113% in last 10 years taking the total amount of spindles to 105,984. In financial year 2013-14, company increased the total number of spindles by 63% by installing 41,088 additional spindles in company's existing capacity.



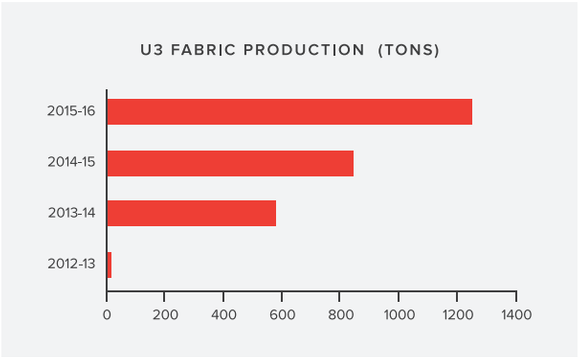
YARN/FIBRE DYED CAPACITY

Our Yarn fibre dyed capacity has increased by CAGR of 12% in last 10 years and now we are able to dye around 29 Tons of Yarn/Fibre every day.



U3 FABRIC PRODUCTION (TONS)

Our U3 fabric production has been increased from 12 Tons in FY 2012-13 to 1,239 Tons in FY 2015-16 with CAGR of 369%. We increased our production by 47% since last financial year.



HUMAN RESOURCES & INDUSTRIAL RELATIONS

With the increasing capacity and requirement, our manpower has also increased by a significant rate in last 10 years. Our total manpower has been increased by 123% in last 10 years.

The Company has been adopting methods and practices for Human Resources Development.

With utmost respect to human values, the Company continues to develop its human resources, through a variety of services by providing appropriate training, motivation techniques and employee welfare activities. The permanent employee strength of Company as on 31st March 2016 was 1992. Industrial relations remained cordial during the year.

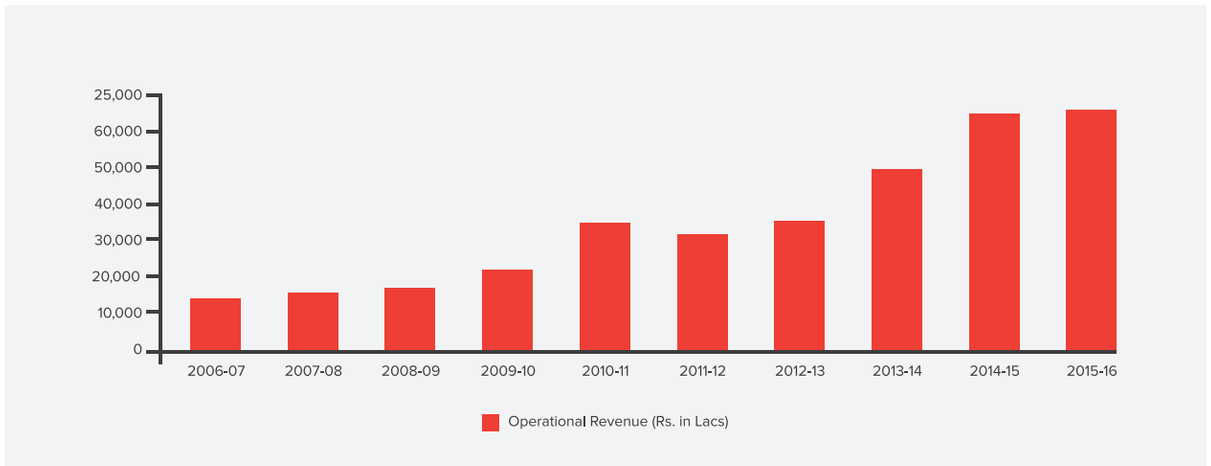
Key Financial Indicators

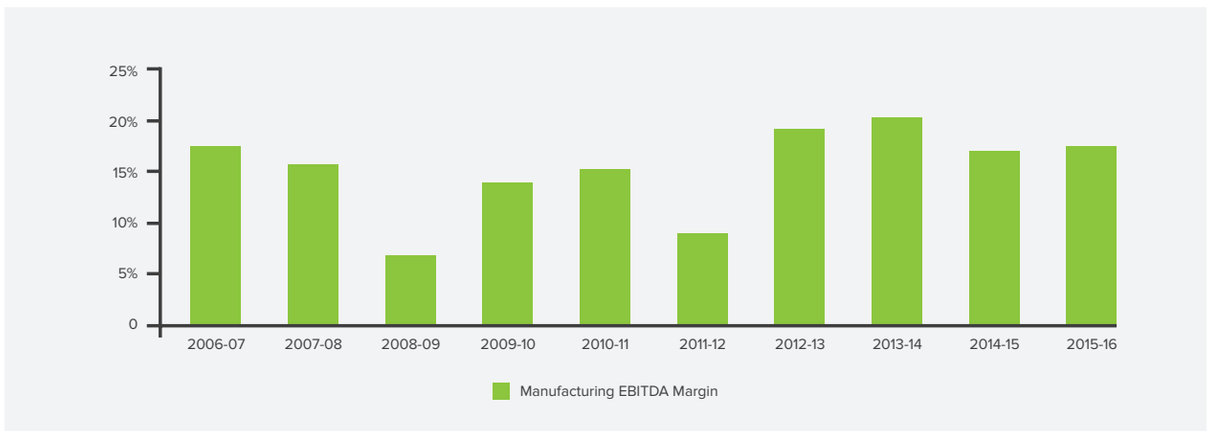
REVENUE

Sluggishness in the global economy in 2015 was reflected on overall industry growth & so on our company. Although our revenue has been increasing continuously since last 10 years with CAGR of 18% which is exclusive in our industry.

EBITDA & EBITDA MARGIN

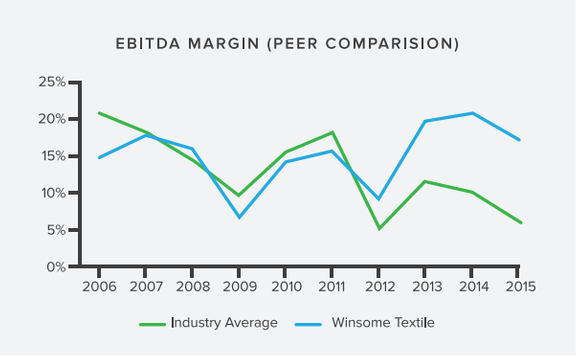
With our excellence operational performance and cost control, we have been able to derive our revenue growth into EBITDA growth as our manufacturing EBITDA has been growing with CAGR of 17% almost at par with revenue. Despite of marginal increase of 1% in revenue in FY 2015-16 , our manufacturing EBITDA increased by 4% which is because of our continuously improving operational





efficiency with objective of value addition.

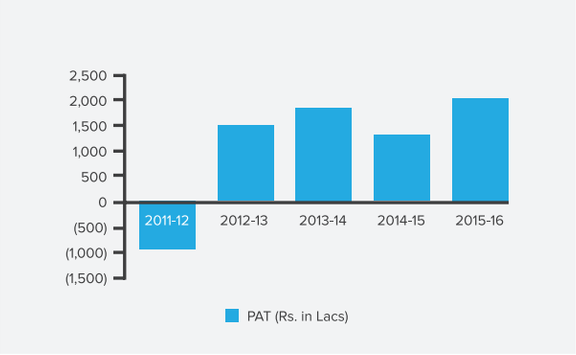
Our manufacturing EBITDA margin has been better than our peers. Our last 5 years average manufacturing EBITDA margin was around 17% which is not so common in our industry. In FY 2015-16 our manufacturing EBITDA margin reached to 18% as compared to 17% in previous financial year.



NOTE: Industry average has been taken considering group of companies which have majority of operational revenue generating from Yarn manufacturing.

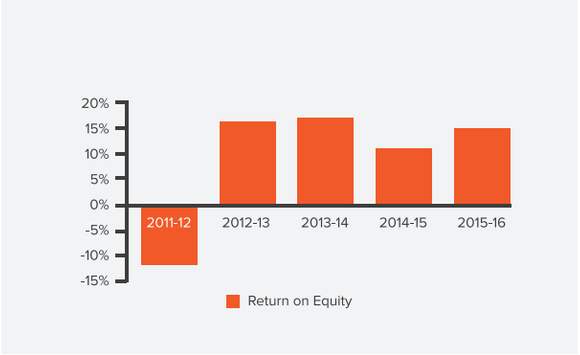
PROFIT AFTER TAX

Our profit after tax has been grown in last ten years with CAGR of 13%. Despite of high interest rate and taxes, we have been able to convert our revenue into net earnings. In financial year 2015-16, our net earnings increased by 59% in comparison to previous financial year.



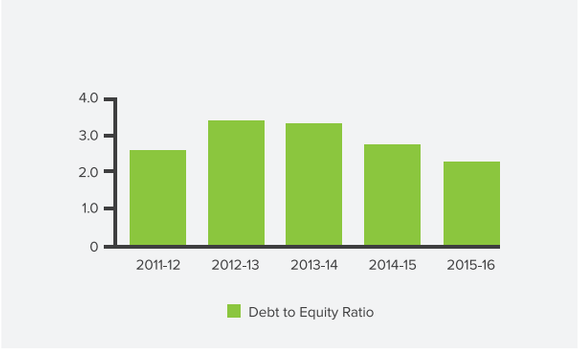
RETURN ON EQUITY

Our average return on equity in last 5 years has been 8% .In financial year 2015-16, our ROE increased to 13% which was a 38% jump as compare to previous financial year.



DEBT TO EQUITY RATIO

Due to our expansion projects, our debt to equity ratio was increased up to 3.4x in FY 2012-13, since then we have successfully brought it down to 2.2x and our target is to bring our debt to equity ratio at optimum level.



STRENGTHENING POSITION IN MARKET THROUGH VALUE ADDITION IN PRODUCTS & SERVICES

Winsome Product Portfolio:

Our yarn product offering consists of specialized products with different blends available allowing our customers to choose from a wide range.

"Winsome is Synonym of Mélange in India."

MÉLANGE YARN:

We are one amongst the largest producer of Mélange yarn in India. We provide finest quality mélange yarn in 100% cotton as well as cotton blends with Viscose, Polyester, Bamboo, and Modal of count range from Ne 12's to Ne 60's both carded and combed, single & folded for circular knitting, socks, weaving & Knitwear and many more other fabrics.

Adding more value to it, we maintains ready stock of certain products for prompt delivery at strategic locations. We have added advantage of Mélange Shade Card which allows us to have an extensive library of more than thousands of shades. We keep innovating with shades and capable of developing any shade as per customer requirement which provides us competitive advantage over our competitors.

DYED YARN

We are well equipped with state-of-art machinery from Cubotex, Dettin, and Stalam & Precision winder from SSM to produce finest quality yarn. We can create any shade as per customer's requirement. We use Azo free dyes and we also use pantone colour card for quick shade matching and reference.

RAW WHITE YARN:

100% cotton raw white yarn in the count range NE 12s to NE 40s both carded and combed, single & folded with the use of optimum quality cotton available in India with most modern plant & machinery.

Following are our yarn product offerings in different ranges:

BLENDS

- 100% Cotton
- Cotton Polyester
- Cotton/Viscose
- Cotton/Wool
- Cotton/Linen
- Cotton/Silk
- Cotton/Modal
- Cotton/Nylon
- Supima Cotton
- 100% Viscose
- Viscose/Polyester
- Viscose/Linen
- Polyester/Cotton/Viscose
- Cotton/Wool/Nylon
- Cotton/Wool/Polyester
- Cotton/Sparkle
- Viscose/Sparkle
- Modal/Sparkle
- Polyester/Linen
- And many more

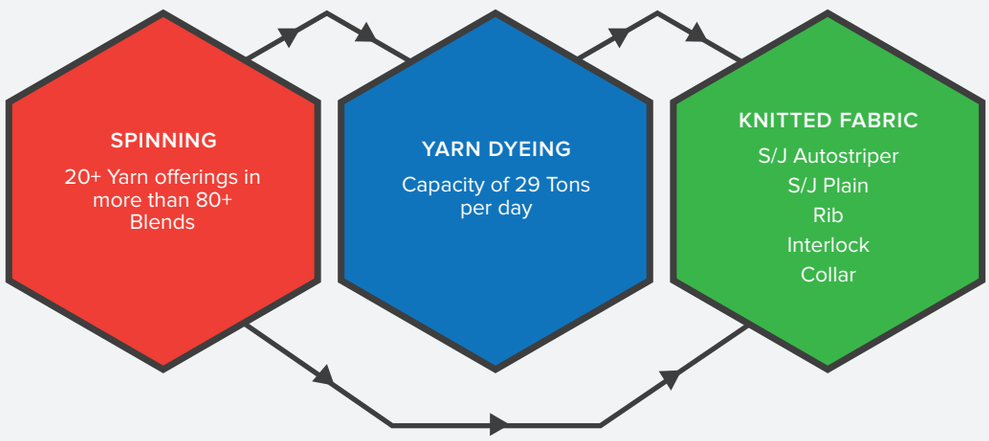
SPECIALITY PRODUCTS

- Jaspe Yarn
- Jaspe Slub Yarn
- Neps Yarn
- Chill Yarn
- Flake Yarn
- Snow Yarn
- Slub Mélange
- Linen Look Yarn
- Wool Touch Yarn
- Foggy Yarn
- Sparkle Yarn
- Shiny Yarn
- Fluroscent Yarn
- Injection Slub Yarn
- Fuzzy Yarn
- Pattern Yarn
- Mohair Yarn
- Vintage Heather Yarn
- Galaxy Yarn
- And many more

Integration is the latest phenomenon

In the world of manufacturing, integration has emerged as a major phenomenon as world's successful companies are bringing all processes of industry's value chain under one roof. We at Winsome are following the same league taking full advantage of industry's value chain.

Knitting Segment is the latest addition in our value chain allowing us to providing one stop store to our customers.

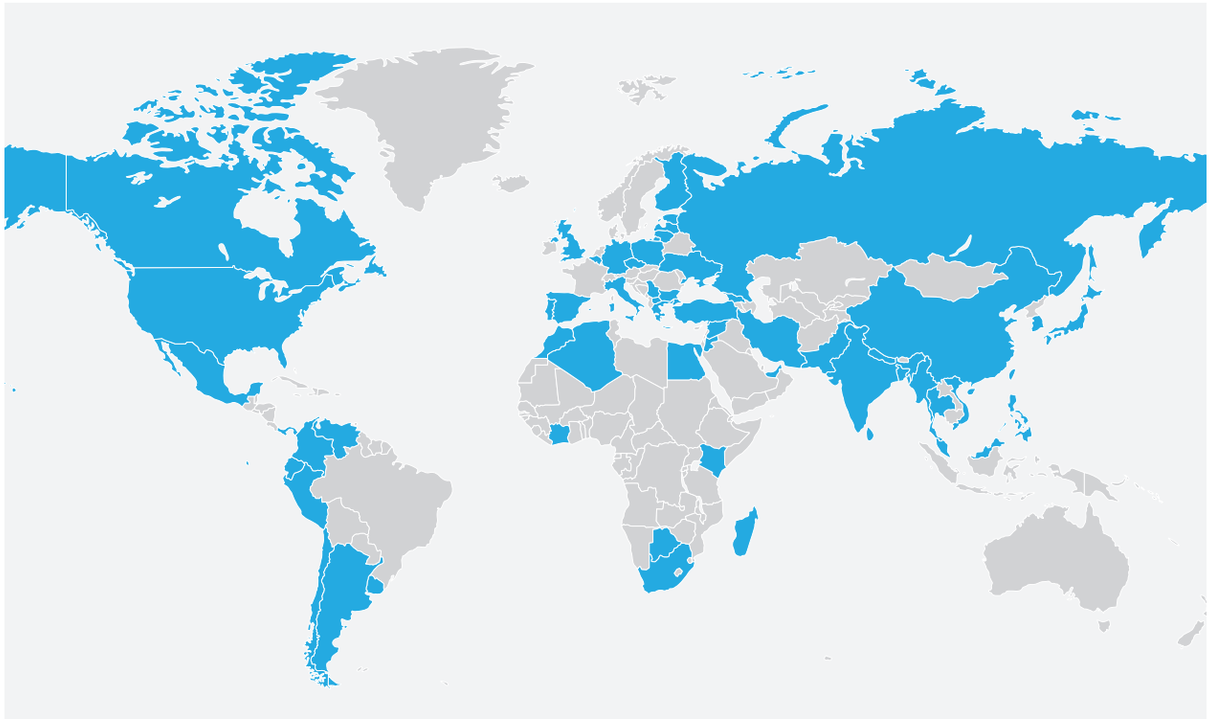


Specialized Knitted Products

Innovation is the key to success and to take the full advantage of Industry value chain, we have set up knitting segment to produce specialized Knitted products with the latest technology of Auto striper which is a niche category in Indian market. It helps us to bring together the various processes of spinning, dyeing, designing & knitting under one integrated head and develop specialized products. It helps us to maximize the value addition in our products with enabling us to produce the final product of value chain. Here we produce quality fabrics with high technical value with latest machinery from Germany & Italy. This helps us in removal of dye-lot minimums for high premium yarns and at the same time use up our R&D at the mills for new yarns, blends & spinning techniques.

Due to integration of knitting production, we have been able to increase our overall margin on each product which reflects in our financials. We started our production in FY 2013-14 and within two years we have increased our production with CAGR of 51%.

All across the globe



WTIL has been associated with over 250 customers across 50 countries across the globe and 600 plus customers within India in last 3 years.

Customization derives customer's satisfaction

At Winsome, Infrastructure of latest technology allows us to be flexible for customization of our product offering as per customer requirements on a short notice.

Quality

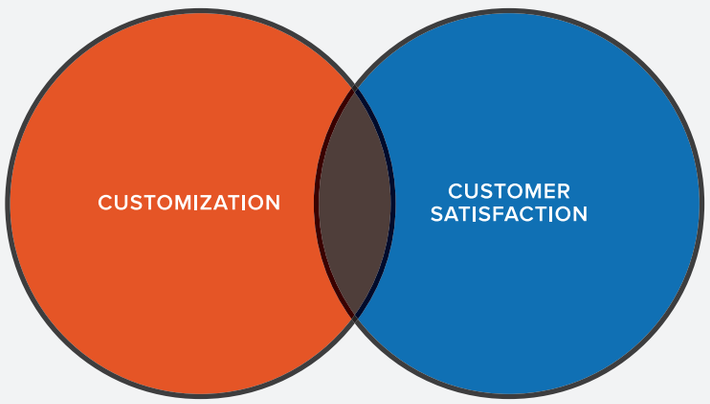
We are known in the market for our finest quality and maintaining quality of our products has been our top priority. To ensure consistent quality yarn, we follow a comprehensive quality control management system. We have well equipped laboratories of international standard for fiber & yarn testing and colour matching & testing.

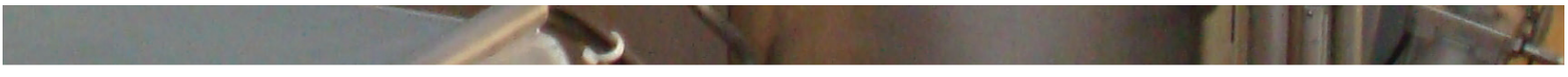
Weakness and Threats

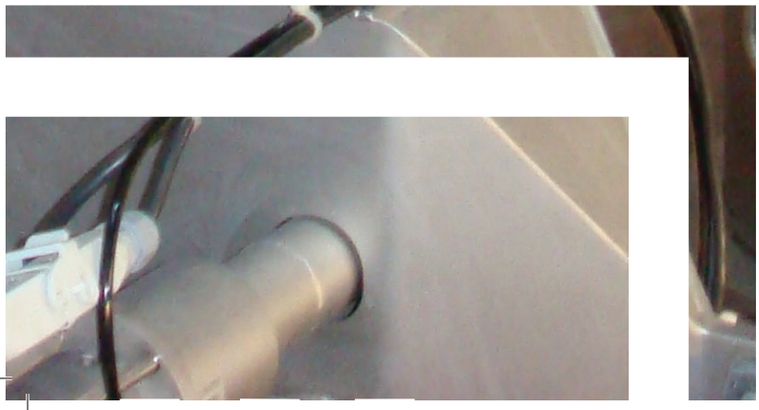
Increase in the power costs, higher transaction costs, high cost of labour and general increase in input costs, are all hindering progress, for which the industry has to concentrate on cost reduction exercises and improvement in efficiency. Shortage of skilled labour, decline in cotton acreage every year, cotton crop loss due to unfavorable monsoon is indeed a major area of concern for textile industries. Cotton acreage in top grower India is likely to drop by the most in over a decade this year, as plunging prices and fears of a drought prompt farmers to switch to cultivating pulses in the hope for better returns. As per Cotton Association of India, since other crops are giving better returns, there is a drop of around 7 per cent in cotton acreage and that will be the steepest fall since 2002-03.

Uncertainties in global textile market regarding yarn prices, fluctuation in foreign currencies, disturbed countries crisis etc. leads to affect cotton procurement, product pricing, decline demands & customer base. Additional tax levies in different forms also affect profitability.

Your Company is persistently working hard to face such challenges by cost reduction, process improvements, minimizing wastage and improving productivity & quality in proximity to mitigate the growing cost pressure in our overall operations. We are moving ahead swiftly through our result oriented strategies for future sustainability & development.







WINSOME COMMITMENT TOWARDS SOCIETY, EMPLOYEES & ENVIRONMENT

Health and Safety Measures

Environment, Health and Safety (EHS) is one of the primary focus areas for our Company. The Company has health and workplace safety programmes in place and established policies & procedures aimed at ensuring compliance with applicable laws/legislative requirements. We have a clear focus on safety practices ensuring all possible safety hazards are eliminated.

Corporate Social Responsibility

We are actively involved in corporate social activities to contribute to social and economic development of the communities in which we operate. It is the Company's intent to establish itself and remain as a responsible corporate entity conscious of its social responsibilities towards its work force, community and environment.

The Policy of Winsome Textile Industries Limited on Corporate Social Responsibility (CSR) is broadly framed taking into account the following major objectives:

- To identify and formulate projects and areas in response to the needs of society and to implement them with full involvement and commitment in a time bound manner.
- To adopt an approach that aims at achieving a greater balance between social and economic development.
- To implement CSR Activities primarily in the economic vicinity Company's operations with a view to ensuring the long term sustainability of such interventions.
- Contribution to the society at large by way of socio-economic activities and social awareness ensuring that benefits reach the targeted beneficiaries.
- To comply with the requirements of Companies Act and all other applicable Acts, Rules, Regulations framed by the Government time to time.

In financial year 2014-15 we spent around Rs 17.96 lacs on different CSR activities like Promotion of healthcare & sanitation, promotion of education, environmental sustainability & rural development in Baddi, Chandigarh & Delhi region.

In FY 2015-16 we increased our CSR activities spending to Rs 46.83 lacs and the different CSR activities we were involved are following:

- Creation/Development of Infrastructure by installation of Solar Street Lights in rural areas
- Promoting Healthcare, Sanitation in rural areas
- Protection of National Heritage, art & culture in rural area
- Creation/Development of Infrastructure in Govt. School in rural areas
- Promotion of Education

Total Quality Management Projects

Winsome is committed to maintaining high standards of work in every aspect of a company's operations hence we are working on different TQM projects which alternatively helps us in cost saving also. Following are few TQM projects of last three years.

- Improvement in Winding Efficiency in Post Winding Section in Dye House
- Achievement of standard time in Fresh Lots of Yarn Dyeing
- Reduction in pnuemafil waste in RF
- Optimization of process performance in mélange yarns with Optical white fibre
- Improvement in Carding machine utilization in Spinning
- Implementation of Productivity as per speed table
- Implementation of wax free yarn for Knitting application
- Reduction of Remanent Yarn in Odd /special counts in Yarn dyeing
- Reduction in Hit Ratio in Mélange lab Dips
- Reduction in hard waste
- Improvement in Yarn Recovery
- Reduction in no of Shade Corrections in Mélange mixing

RISK MANAGEMENT FRAMEWORK

Every business decision inherits associated risks. No business transaction takes place without taking risk. As a matter of fact, the risk associated with every commercial transaction creates an opportunity for the organization since risk and opportunity are two sides of same coin. The Company is operating in textile segment which itself is vulnerable to certain kind of risks associated with textile industry and its different constituents. In order to mitigate these risks and to efficiently handle the various risks, Company has laid down a Risk Management Policy.

Company's Risk Management Framework includes three key elements:

- Risk Assessment
- Risk Management and Risk Mitigation
- Risk Monitoring

The different kind of risk we monitor are:

- Credit Risk
- Foreign Exchange Risk
- Financial and Liquidity Risk
- Business Operational Risk
- Legal and Political Risk
- Geographic and Environmental Risk

The Risk Management Committee of the Board of Directors of the Company periodically reviews the existence and functioning of Risk Management Policy. The Board of Directors after considering the recommendations of Risk Management Committee are empowered to amend this policy in whole or in part, at any time consistent with requirements of applicable laws, rules and regulations.

SEXUAL HARASSMENT POLICY

We respect the dignity of all employees working for the Company irrespective of their gender or position. In the same way, we expect responsible conduct and behavior on the part of all our employees at all levels. Providing a safe and congenial work environment to all employees is an integral part of the Company's employment policy.

Management of the Company has constituted Internal Complaint Committees at different workplaces to consider and redress complaints of Sexual Harassment in a time bound manner.

During the year under review, the Company has not received any complaint on sexual harassment. Although during the year six workshops/awareness programs were carried out against sexual harassment.

Certifications

In order of maintaining world class quality standards we have achieved different certification related to global standards. Some of those certifications are following:

ISO-9000:

ISO 9000 is a series of standards, developed and published by the International Organization for Standardization (ISO), that define, establish, and maintain an effective quality assurance system for manufacturing and service industries. Winsome acquired this certificate in 1993 and we were second textile unit in the country to acquire the certificate showing full commitment towards quality of our products.

ISO- 14001

The ISO 14001 Environment Management System (EMS) standard is an internationally recognized environmental management standard which was first published in 1996 and Winsome acquired it in March 2000 becoming an environment friendly organization.

ISO 18001

ISO 18001 is an Occupation Health and Safety Assessment Series for health and safety management systems. It is intended to help an organization to control occupational health and safety risks. Winsome acquired this certificate in 2012 and became the first textile company in Himachal Pradesh to achieve this certificate.

The other major certification are:

- Global Organic Textile Standard Certificate
- Organic Content Standard
- Global Recycle Standard
- Better Cotton Initiative
- OEKO-TEX Certification
- SUPIMA Certification

Future Outlook

Despite of all the challenges, Winsome Textiles is ready to triumph in future with its "Passion for Innovation" approach. We are investing in latest technologies and talents to bring changes in industry through innovation. Our focus will be on understanding the changing dynamics of customer requirement and accordingly changing our strategy. We are exploring new territories and expansion is the way forward for us.

Cautionary Statement

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and yarn prices in the domestic and overseas markets, changes in government regulations, tax laws and economic developments.

Date: 27.05.2016
Place: Chandigarh

By Order of the Board

Sd/
(ASHISH BAGRODIA)
CHAIRMAN & MANAGING DIRECTOR
DIN-00047021

02

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 35th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2016.

Financial Highlights	Year ended 31.3.2016 (Rs. in lacs)	Year ended 31.3.2015 (Rs. in lacs)
Sales	**65823.33**	64947.43
Profit before Interest & Depreciation	**10381.70**	10017.14
Less : Interest	**6145.40**	6139.95
Profit / (Loss) before Depreciation	**4236.30**	3877.19
Less : Depreciation	**1978.97**	1772.27
Profit / (Loss) before Tax	**2257.33**	2104.92
Less : Provision for Taxation - Current Tax (MAT)	**487.26**	445.41
- MAT Credit	**(332.97)**	(445.41)
- Deferred Tax Liability/(Assets)	**30.63**	812.44
- MAT Credit earlier year/Charged Earlier Year	**23.79**	(140.29)
- Tax for earlier years	**---**	140.57
Net Profit / (Loss) after Tax	**2048.62**	1292.20
Add : Surplus brought from previous year	**8298.38**	4957.56
Less : Adjustments during the year	**68.86**	---
	8229.52	**6249.76**
Appropriations :		
Proposed Dividend	**NIL**	NIL
Corporate Dividend Tax	**NIL**	NIL
Surplus Carried to Balance Sheet	**8229.52**	6249.76
	8229.52	**6249.76**

OPERATIONAL PERFORMANCE

During the year under review, your Company has achieved a sales turnover of Rs. 65823.33 lacs as against sales turnover of Rs. 64947.43 lacs during the previous year showing an increase of 1.35% and a net profit (after tax) of Rs. 2048.62 lacs for the year as against net profit (after tax) of Rs. 1292.20 lacs during the previous year. The export of the company for the current financial year was Rs. 25229.62 lacs as against Rs. 22203.86 lacs for the previous financial year. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world, though the year under review has been quite volatile for the company. Internationally the export of cotton yarn was at downward trend but your Company sustained to improve its export performance. The major portion of export was comprising of melange, dyed yarn & value added specialty yarn in the Asian, European and South American countries.

During the year, the major portion of cotton crop in Punjab and Haryana (northern region) got damaged due to attack of white flies which ultimately resulted in to low quality and poor productivity. From October 2015 onwards, there is a decline in arrival of domestic cotton output. In the coming months, it will also effect the yarn prices and cost of production.

You would appreciate to note that domestic sale of fabric is continuously improving. Your company continues to focus on manufacturing of value added yarns and knitted fabrics to reduce the risks of volatility of pricing of its products among other things.

ACCOLADES AND RECOGNITIONS

We are delighted to inform you that your Company has been presented with Silver Trophy by 'TEXPROCIL' for second Highest Exports of Cotton Yarn (Processed Yarns) in the Category II for F.Y. 2014-2015. Your Company is making persistent efforts to maintain its distinctive position among its customers and stakeholders by providing cost efficient new & innovative quality products.

EXPANSION PROJECT OF COMPANY

The Company's upcoming Hydro Power Project of 3.5 M.W. at Dharamshala, Distt. Kangra, Manuni Khad (H.P.) is at an advance stage and ready for commissioning shortly subject to the completion of necessary Statutory formalities/permissions, for the time being in force. The Company is also exploring more Hydro Power opportunities in the State of Himachal Pradesh for which discussions are underway and necessary steps are being taken.

SUBSIDIARY COMPANY

During the year ended 31st March, 2016, neither the Company has any subsidiary nor any material listed/unlisted subsidiary company.

PUBLIC DEPOSITS

The Company has not accepted or renewed any deposits from the public during the year under review pursuant to the provisions of Companies Act, 2013 and rules made thereunder.

DIVIDEND & RESERVES

Keeping in view to conserve the resources, your Directors do not recommend any dividend for the year under review. During the year under review, no amount was transferred to reserves.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP's)

Pursuant to provisions of section 152 of Companies Act 2013 read with Companies (Appointment and Qualification of Directors) Rules, Shri Ashish Bagrodia, Director, retire by rotation and being eligible, offer himself for re-appointment. During the year under review, shareholders of the Company in their 34th Annual General Meeting held on 28th September 2015 have reappointed Shri Ashish Bagrodia as Managing Director of Company for a period of five years w.e.f. 01.02.2016 on such terms & conditions as stipulated in respective resolution. Further Smt. Neena Singh was also appointed in the said AGM as an Independent Director for a period of five consecutive years w.e.f. 28th September 2015 in terms of provisions of section 149, 152 read with Schedule IV and all other applicable provisions of Companies Act 2013 & Companies (Appointment and Qualification of Directors) Rules 2014.

As on 31st March 2016, following are Key Managerial Personnel of Company:

- Shri Ashish Bagrodia - Chairman & Managing Director
- Shri Anil Sharma - Chief Executive Officer
- Shri Sanjay Kedia - Chief Financial Officer
- Shri Sourabh Gupta - Company Secretary

STATUTORY AUDITORS

At the 33rd Annual General Meeting of Company held on 29th September 2014, M/s Lodha & Co., Chartered Accountants, were re-appointed as Statutory Auditors of the Company, for a period of three years i.e. from the conclusion of 33rd Annual General Meeting of Company till the conclusion of 36th Annual General Meeting of Company, subject to the ratification of their appointment by the members in every subsequent Annual General Meeting in accordance with the provisions of section 139 of Companies Act 2013 read with Companies (Audit & Auditors) Rules 2014.

In pursuance to the same, Company has obtained a Letter of Eligibility in terms of provisions of section 139 of Companies Act 2013 read with Companies (Audit & Auditors) Rules 2014 from M/s Lodha & Co., Chartered Accountants, to the effect that their re-appointment, if made in ensuing AGM would be in accordance of provisions of section 141 of Companies Act 2013 and rules made thereunder and that they are not disqualified for such appointment under Companies Act, 2013, the Chartered Accountants Act 1949 and rules & regulations made thereunder. Although in terms of provisions of Section 139 of Companies Act, 2013, the appointment of Statutory Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Lodha & Co., Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the shareholders. The said appointment has also been approved by Audit Committee.

AUDITOR'S REPORT

Observations made in the Auditor's Report are self explanatory. The comments of the Board of Directors on Auditor's observations are attached herewith.

COST AUDIT & COST AUDITOR

Pursuant to provisions of section 148 of Companies Act 2013 & Rules made thereunder, your Company carries out an audit of cost records every year. The Company has obtained written confirmations from M/s Aggarwal Vimal & Associates, Cost Accountants, to the effect that their appointment, if made, would be in accordance of provisions of section 148 of Companies Act 2013 and that they are not disqualified for such appointment within the meaning of section 141 of Companies Act, 2013 read with Companies (Audit & Auditors) Rules 2014.

Therefore, after considering the recommendations of Audit Committee, Board of Directors of the Company have appointed M/s Aggarwal Vimal & Associates, Cost Accountants, as Cost Auditor of Company for the Financial Year 2016 - 2017 to conduct Cost Audit of Cost Accounts of the Company on a remuneration of Rs. 70,000/- (Rupees Seventy Thousand only).

Although pursuant to provisions of section 148 of Companies Act 2013 read with Companies (Audit & Auditors) Rules 2014, the remuneration of Cost Auditor is subject to the ratification of members of the Company. The Cost Audit Report for Financial Year 2014-15 was due to be filed with the Ministry of Corporate Affairs on 30.09.2015 was filed on 26.09.2015.

SECRETARIAL AUDIT

Pursuant to the recommendations of Audit Committee, Shri Ramesh Bhatia, Practicing Company Secretary has been appointed by the Board to conduct the Secretarial Audit under provisions of section 204 of Companies Act 2013. The Secretarial Audit Report is annexed with the Director's Report as **ANNEXURE -1**. There is no qualification in Secretarial Audit Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Energy conservation continues to be an area of major emphasis in your Company. Efforts are made to optimize the energy cost while carrying out manufacturing operations. As required by the provisions of section 134 of Companies Act, 2013 read with Companies (Accounts) Rules 2014, the relevant information's regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given in the **ANNEXURE – 2** forming part of this report.

STATUTORY DISCLOSURES

None of the Directors of Company are disqualified under the provisions of section 164 of Companies Act 2013 & rules made thereunder. The Directors have made the requisite disclosures, as required under the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("hereinafter referred to as Listing Regulations").

CORPORATE GOVERNANCE

The Company is committed to maintain the good standards of Corporate Governance. The Company has complied with the Corporate Governance requirements as stipulated under Listing Regulations. Pursuant to said Regulations, Report on Corporate Governance together with the Certificate issued by Practicing Company Secretary regarding compliance of Corporate Governance is annexed to this report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 134(3) (c) of Companies Act, 2013, it is hereby confirmed that:

(a) in the preparation of annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards have been followed and that there are no material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit or loss of the Company for the year ended on that date;

(c) the Directors have 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;

(d) the annual accounts have been prepared on a going concern basis.

(e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequately and operating effectively.

EXTRACT OF ANNUAL RETURN

The details forming part of extract of the Annual Return is given in Form MGT-9 in **ANNEXURE – 3**.

NUMBER OF BOARD MEETINGS

During the Financial Year 2015-16, Four Board Meetings were held. These meetings were held on 26th May 2015, 13th August 2015, 29th October 2015 and 09th February 2016. The other relevant details of Board meetings and the attendance of the Directors etc. are given under Corporate Governance Report annexed with Director's Report.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have submitted the Declaration of Independence, as required pursuant to provisions of section 149 of Companies Act 2013 and under Listing Regulations, stating that they meet the criteria of independence as provided in said section.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

Details of Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 are given in the notes to the financial statements provided in this Annual Report.

RELATED PARTY TRANSACTIONS

All related party transactions are entered on arm's length basis & in ordinary course of business and are in compliance with the applicable provisions of Companies Act and Listing Regulations. There are no materially significant related party transactions made by the Company with its promoters, Directors or Key Managerial Personnel, their relatives etc. that may have potential conflict with the interest of the Company at large. Thus disclosure in Form AOC-2 as per provisions of Companies Act 2013 is not required. However the details of the transactions with Related Party are provided in the Company's Financial Statements in accordance with the Accounting Standards read with Accounting Policies.

All Related Party Transactions are presented to the Audit Committee and the Board for approval by specifying the nature, value, terms and conditions of the transactions etc.. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions for which omnibus approval has obtained are presented before the Audit Committee as well as to Board on quarterly basis. The Related Party Transactions Policy of Company is available on following weblink of Company's website:

http://www.winsometextile.com/files/pdf/68-63-file.pdf

MATERIAL CHANGES FROM END OF FINANCIAL YEAR TILL DATE OF REPORT

There are no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statements relate and the date of this Report.

RISK MANAGEMENT POLICY

Risk management is a continuous process across the organization designed to identify, assess and frame a response to threats that affect the achievement of its objectives. The Company firmly believes that to ensure effective risk management, there ought to be risk management plans to handle the risks based on the priorities and complexities of business. This implies, if proper risk management is implemented as a best practice then massive capital losses can be prevented. The success of the Risk Management Framework depends on the efforts taken to mitigate/ reduce either the probability or consequence of the risk/ threat. Company's Risk Management Policy includes three key elements: Risk Assessment, Risk Management &Risk Mitigation, Risk Monitoring. Risks are analyzed, considering likelihood and impact, as a basis for determining how they should be managed effectively. Adhering the same, Company has also constituted Risk Management Committee and adopted an effective Risk Management Policy in its place to assess, mitigate and to monitor the different risks exposed to the industry in which it operates. The said policy is uploaded on the Company's website i.e. www.winsometextile.com under corporate policies.

POLICY ON DIRECTOR'S APPOINTMENT & REMUNERATION AND OTHER PRESCRIBED MATTERS

The Nomination and Remuneration Committee constituted by the Company functions in accordance with the terms of reference as set out under provisions of Listing Regulations read with provisions of Section 178 of the Companies Act, 2013 & rules made thereunder. The Company's Nomination & Remuneration Policy as stipulated under the provisions of section 178 of Companies Act 2013 is given in **ANNEXURE – 4** and also available on Company's website i.e. www.winsometextile.com under corporate policies.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

It is the Company's intent to establish itself and remain as a responsible corporate entity conscious of its social responsibilities towards its work force, community and environment. The Policy of Winsome Textile Industries Limited on Corporate Social Responsibility (CSR) is broadly framed taking into account the following major objectives:-

- To identify and formulate projects and areas in response to the needs of society and to implement them with full involvement and commitment in a time bound manner.
- To adopt an approach that aims at achieving a greater balance between social and economic development.
- To implement CSR Activities/ CSR programmes primarily in the economic vicinity Company's operations with a view to ensuring the long term sustainability of such interventions.
- Contribution to the society at large by way of socio-economic activities and social awareness ensuring that benefits reach the targeted beneficiaries.
- To comply with the requirements of Companies Act 2013 and all other applicable Acts, Rules, Regulations framed by the Government time to time.

The CSR activities may be focused not just around units/plants and offices of the company, but also in other geographies based on the needs of the communities. In pursuance to CSR Policy, the Company has decided to conduct or undertake all or any of prescribed activities/activity/sub-activity, as mentioned in Schedule VII of the Companies Act 2013 and rules & regulations made thereunder (as amended time to time), either by Company itself or by Winsome Foundation Trust or by both.

The CSR Committee of Company functions as per section 135 of Companies Act 2013 and rules made thereunder i.e. to monitor the CSR activities/CSR projects, its mechanism & other prescribed activities/matters. During the F.Y. 2015-16, Four CSR Committee meetings were held on 26th May 2015, 13th August 2015, 29th October 2015 and 09th February 2016. The composition, names of members, chairperson and attendance of members during the year are as below:

Sr. No.	Name of members	Category	No. of meetings attended during the year 2015-2016
1	Shri Ashish Bagrodia, Chairman	Executive Director	4
2	Shri Chandra Mohan, Member	Independent/Non-Executive	4
3	Shri Satish Girotra, Member	Independent/Non-Executive	3

The relevant details as required under Companies (Corporate Social Responsibility Policy) Rules 2014 are given in **ANNEXURE – 5**. The CSR policy is available on the Company's website at following weblink:

http://www.winsometextile.com/files/pdf/68-59-file.pdf

INTERNAL FINANCIAL CONTROL SYSTEM AND INTERNAL AUDIT

The Company has an elaborate internal control system which monitors compliance to internal processes. It ensures that all transactions are authorized, recorded and reported correctly. The Company has dedicated Internal Audit Department. The Internal Audit department continuously monitors the efficiency of the internal controls/compliance with the objective of providing to Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organization's risk management, control and governance processes. This formalized system of internal control facilitates effective compliance of Section 138 of Companies Act, 2013 and other applicable statutes. The Internal Audit Department assesses opportunities for improvement in the business processes, deigned to add value to the organization and follows up on the implementation of correction actions & improvement in business process, whereever required.

During the year under review, the Company continued to implement their suggestions and recommendations to improve the internal financial control environment. The Audit Committee actively reviews the adequacy and effectiveness of internal control system and suggests to further strengthening the same, wherever required. The Management also periodically reviews financial performance of your Company against the approved plans across various parameters and takes necessary action, wherever necessary.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the year under review, there is no material order(s) passed by the regulators or courts or tribunal impacting the going concern status and company's operation in future.

DISCLOSURE REGARDING COMPANIES (SHARE CAPITAL AND DEBENTURE) RULES 2014

The paid up equity share capital of the Company as at 31st March 2016 was comprised of 1,98,20,000 equity shares of Rs. 10/- each i.e. Rs. 19,82,00,000/-. As required under Companies (Share Capital and Debenture) Rules 2014, during the year under review, the Company has not issued equity shares with differential voting rights, sweat equity shares, preference shares, employee stock options and also not made any provision for purchase of its own shares by employees or by trustees.

DISCLOSURE REGARDING VOTING RIGHT NOT EXERCISED DIRECTLY BY THE EMPLOYEES

During the year under review, there is NIL disclosure as required under provisions of section 67 of Companies Act 2013.

AUDIT COMMITTEE

Audit Committee constituted by the Company functions in accordance with the terms of reference as set out under the provisions of Listing Regulations read with provisions of Section 177 of Companies Act, 2013 & rules made thereunder and additional responsibilities assigned to it by Board of Directors of the Company. The Committee reviews the internal audit reports and findings of internal auditors along with the comments of management. The functions of the Audit Committee among others, include approving and implementing the audit procedures, effective supervision of financial reporting system, Whistle Blower Mechanism, internal control and procedures, recommending appointments of Statutory Auditors, Cost & Secretarial Auditors to Board and also ensuring compliance's with regulatory guidelines. The Board has constituted the Audit Committee comprises of following:

S. No.	Name of members	Category
1	Shri Chandra Mohan, Chairman*	Independent / Non-Executive
2	Shri Satish Girotra, Member*	Independent / Non-Executive
3	Shri Amrit Lal Batra, Member	Independent / Non-Executive

* Pursuant to reconstitution of Audit Committee w.e.f. 01.11.2015, Sh. Chandra Mohan was appointed as Chairman & Sh. Satish Girotra was appointed as Member of Committee.

The other relevant details of Audit Committee are given under Corporate Governance Report annexed with Director's Report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted Whistle Blower Policy and has established necessary mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. This policy is reviewed quarterly by the Audit Committee to check the effectiveness of the policy. No personnel have been denied access to the Audit Committee. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure or Complaint 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 Blower. The vigil mechanism/Whistle Blower Policy of the Company is uploaded on the Company's website i.e. www.winsometextile.com under corporate policies.

BOARD EVALUATION

During the year under review, the Board adopted a formal mechanism for evaluating its performance and as well as that of its committees, individual Directors, including the Chairman of the Board in compliance of Companies Act 2013 and Listing Regulations. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board, its committee & members, their experience & competencies, performance of specific duties & obligations, governance and also in accordance with Performance Evaluation Policy of Company. Broadly the performance of Non-Independent/Executive/Whole Time Director(s) was evaluated on the basis of their own performance, expertise, intelligence, their qualitative & quantitative contribution towards operational achievements, organizational performance etc. The performance of Non-Executive Independent Directors were evaluated on the basis of their constructive participation's in Board/Committee/General meetings, their informed & balanced decision-making, ability to monitor financial controls, systems & certain allied parameters. The performance evaluation of various Board Committees constituted under Companies Act & Listing Regulations was made on the basis of their respective terms of reference, discharge of functions, governance etc.

As stipulated by Code of Independent Directors under Companies Act 2013 and Listing Regulations, a Separate Meeting of independent Directors was held on 09th February, 2016 to review the performance of Non-Independent directors including the Chairman and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of flow of information between Management and the Board. All Independent Directors were present in the said meeting. The Performance Evaluation Policy of Board of Directors is uploaded on the Company's website i.e. www.winsometextile.com under corporate policies.

PARTICULARS OF EMPLOYEES

The information pursuant to Section 197 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, of the employees is given in **ANNEXURE – 6**. Further pursuant to Rule 5 (2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant disclosure is given in **ANNEXURE – 7**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and analysis report, as required by Listing Regulations, forms part of the Annual Report.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank Customers, members, suppliers, bankers, Central and State Governments for their consistent support and co-operation extended to the Company. We also acknowledge the significant contribution made by the employees for their dedication and hard work and trust reposed on us. We look forward to have the same support in future.

Place: Chandigarh

Dated: 27.05.2016

By Order of the Board

Sd/
(ASHISH BAGRODIA)
CHAIRMAN & MANAGING DIRECTOR
DIN-00047021

COMMENTS BY THE BOARD TO DIRECTOR'S REPORT

Pursuant to section 134(3)(F) of the Companies Act 2013 & rules made thereunder, following explanation are given on remarks contained in the Statutory Auditor's Report:

(a) With regard to Auditor's observation no.(i) regarding non-provisioning against receivables amounting to Rs. 1089.44 lacs, the explanation of Directors are that the management is hopeful of recovery considering preparation of financial statement of the said body corporate as going concern basis, future prospectus of revival of textile market and stable government policies, therefore no provision there against is considered necessary.

.....

ANNEXURE - 1

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

Pursuant to section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

To,
The Members,
Winsome Textile Industries Limited
1, Industrial Area, Baddi-173205.
Distt Solan H.P.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Winsome Textile Industries Limited, Baddi.(H.P.) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes 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 31/03/2016 (Audit Period) 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 31/03/2016 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulations) Act, 1956 (SCRA) and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye Laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extend of FDI, ODI and ECB's.
5. 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ;

(b) The erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, and Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015 ;

(c) 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 ;

(d) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015,

(e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009,(Not applicable during the period of Audit)

(f) The Securities and Exchange Board of India (Buyback of Securities) Regulations , 2009, (Not applicable during the period of Audit)

I, further report that during the period under audit, the company has generally complied with the provisions of the following Acts:

1. Employees Provident Fund and Miscellaneous Provisions Act, 1956
2. Employees State Insurance Act, 1948
3. Environment Protection Act, 1986 and other environmental laws
4. Factories Act, 1948
5. Hazardous Wastes (management & Handling) Rules 1989
6. Income Tax Act, 1961 and Indirect Tax laws (sub to the non deposit of disputed Excise Duty and Entry tax as mentioned by the Statutory Auditors in their Notes)
7. Industrial Dispute Act, 1947
8. Minimum Wages Act, 1948
9. Payment of Bonus Act, 1965
10. Payment of Gratuity Act, 1972
11. Payment of Wages Act and other laws
12. The Industrial Employment Standing Order Act, 1946
13. The Employee Compensation Act, 1923
14. The Apprentices Act, 1961
15. The Contract Labour (Prohibition & Regulation) Act, 1986
16. The Indian Boilers Act No V of 1923.

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 Agreements entered into by the Company with Bombay Stock Exchange Limited,

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Compliance with the Secretarial Standards is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit. I, have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of the secretarial records. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company and also the observations, if any, made by the statutory auditors in their report under review.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors and Independent Directors. The changes 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.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were, generally, 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. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded 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, suits, rules, regulations and guidelines.
- I further report that during the audit period, company has not taken any major decision pertaining to the following acts:
- Public / Right / Preferential issue of shares / debentures / sweat equity, etc.
- Redemption / buy – back of securities
- In pursuance to section 180 of the Companies Act, 2013
- Merger / amalgamation / reconstruction, etc.
- Foreign technical collaborations

PLACE: Chandigarh
DATE: 27/05/2016

Sd/

NAME: RAMESH BHATIA
PRACTICING COMPANY SECRETARY
FCS No.: 2483
C P No.: 1917

ANNEXURE - 2

INFORMATION PURSUANT TO SECTION 134(3) OF COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES 2014 REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

(A) CONSERVATION OF ENERGY :-

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

The Company has been giving high priority to conservation of energy by close monitoring of energy consumption equipment's. All efforts are made for installing energy saving devices wherever required. Some of major initiatives are like:

(a) Replacement of 10 numbers of 65W CFL lighting in place of 250W conventional lighting in Dye House plant amounting to Rs.6,000/- saved 7986 KWH/per annum which resulted in power saving of Rs.40,729/-.

(b) Replacement of Conventional Tube Lights with 910 numbers of LED tube lights amounting to Rs.5,76,520/- saved 237838 KWH/per annum which resulted in power saving of Rs.12,12,972/-.

(c) Replacement of Conventional Motor with 04 numbers of Energy Efficient Motor amounting Rs.2,40,000/- saved 40656 KWH/per annum which resulted in power saving of Rs.2,07,346/-.

(d) Installation of one Energy Efficient Waste Collection System at plant amounting to Rs.12,00,000/- saved 217074 KWH/per annum which resulted in power saving of Rs.11,07,077/-.

(e) Replacement of Conventional Fan with one Energy Efficient Centrifugal Fan in Waste Collection System at Plant amounting to Rs.4,10,000/- saved 108537KWH/per annum which resulted in power saving of Rs.5,53,539/-

(f) Installation of one Timer for control of Rotary Blower in Dye House Humidification Plant amounting to Rs.3,000/- saved 18295 KWH/per annum which resulted in power saving of Rs.93,306/-.

(g) Installation of one Cyclic Timer amounting to Rs.2,000/- of overhead blower in simplex machine for interval control saved 7623 KWH/per annum which resulted in power saving of Rs.38,877/-.

(h) Installation of 20 numbers of Power Saver devices/Capacitor Banks amounting to Rs.1,36,259/- saved 165000KWH/per annum which resulted in power saving of Rs.8,41,500/-.

(ii) The steps taken by the company for utilizing alternate sources of energy :-

D.G. Set and grid power etc. is generally used by the Company with regard to alternate source of energy. Implication of energy management system by use of KWH meters to reduce unnecessary usage of electricity by end users etc.

(iii) The capital investment on energy conservation equipment's:-

The capital investment on energy conservation equipment's was Rs. 25.74 lacs.

(B) TECHNOLOGY ABSORPTION:-

(i) Efforts made towards technology absorption :-

(a) New Ring frame, state of art machines are purchased, whenever required with latest technology having measure such as energy saving spindles and highly energy efficient motors. Besides this reduction in steam consumption is made by process improvements.

(b) Specific area which R&D carried by the Company: Research & Development and innovation is carried out for development of the new products and for improvement in the production process and quality of products. The Company has been able to pioneer the launch of new product that have been successful in the market due to its R&D efforts.

(c) Benefits derived as a result of the above R&D: The Company has been continuously improving the quality of its existing products and entered into new products and entered into new products and also been able to reduce the cost of production.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:-

There has been benefit in respect of quality and output of the product which ultimately result to reduce wastage and avoid product complaints.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of financial year) :- NIL

(iv) The expenditure incurred on Research and Development :-

Expenditure on R&D	**(Rs. In lacs)**
Capital	Nil
Revenue	72.03
TOTAL	**72.03**

Total R&D Expenditure as a percentage of Total Turnover = 0.11%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Foreign Exchange earned in terms of actual inflows during F.Y. 2015-16: Rs. 22,126.37 lacs.

The Foreign Exchange outgo in terms of actual outflows during F.Y. 2015-16: Rs. 1,361.68 lacs.

ANNEXURE - 3

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2016

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

I. REGISTRATION AND OTHER DETAILS:

i)	**CIN**	L17115HP1980PLC005647
ii)	**Registration Date**	18.09.1980
iii)	**Name of the Company**	Winsome Textile Industries Limited
iv)	**Category / Sub-Category of the Company**	Public Company limited by shares
v)	**Address of the Registered office and contact details**	Plot No. 1, Industrial Area, Baddi, Distt. - Solan, Himachal Pradesh -173205, Phone No: - 01795-244045 Fax No. 01795-244287.
vi)	**Whether listed company**	Yes
vii)	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	Link Intime India Private Limited, 44, Community, Centre, 2nd Floor, Naraina Industrial Area, Phase-1, Near PVR, New Delhi – 110028, Tele. No. 011-41410592-94, Fax No. 011-41410591, E-mail : delhi@linkintime.co.in, sunil.mishra@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Spinning	2351/2352/2471/2472	46.10
2.	Dyeing	2360/2480	29.55

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :- NIL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the year
A. PROMOTERS									
1. Indian									
a) Individual/HUF	147660	-	147660	0.75	147660	-	147660	0.75	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	6553801	-	6553801	33.07	6553801	-	6553801	33.07	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**6701461**	**-**	**6701461**	**33.81**	**6701461**	**-**	**6701461**	**33.81**	**-**
2. Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI's	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**6701461**	**-**	**6701461**	**33.81**	**6701461**	**-**	**6701461**	**33.81**	**-**
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	401347	-	401347	2.02	297660	-	297660	1.50	(0.52)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's/FIC	2205779	-	2205779	11.13	6450000	-	6450000	32.54	21.41
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**2607126**	**-**	**2607126**	**13.15**	**6747660**	**-**	**6747660**	**34.04**	**20.89**

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	5601629	200	5601829	28.26	4946111	200	4946311	24.96	(3.30)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	238919	34909	273828	1.38	317726	33709	351435	1.77	0.39
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	361401	-	361401	1.82	1061276	-	1061276	5.35	3.53
c) Others (NRI's & Trust)	6760	720	7480	0.04	11137	720	11857	0.06	0.02
Sub-total (B)(2):-	**6208709**	**35829**	**6244538**	**31.50**	**6336250**	**34629**	**6370879**	**32.14**	**0.64**
Total Public Shareholding (B) = (B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs	4266875	-	4266875	21.53	-	-	-	-	(21.53)
Grand Total (A+B+C)	**19784171**	**35829**	**19820000**	**100.00**	**19785371**	**34629**	**19820000**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Sh. Manish Bagrodia	46220	0.23	-	46220	0.23	-	-
2	Sh. Ashish Bagrodia	49220	0.25	-	49220	0.25	-	-
3	Smt. Vandya Bagrodia	3000	0.02	-	3000	0.02	-	-
4	Smt. Sudha Bagrodia	49220	0.25	-	49220	0.25	-	-
5	Vogue Commercial Co. Ltd.	46847	0.24	-	46847	0.24	-	-
6	Roselab Commodities Pvt. Ltd.	3501923	17.67	-	3501923	17.67	-	-
7	Kailashpati Vinimay Pvt. Ltd.	3005031	15.16	-	3005031	15.16	-	-
	Total	**6701461**	**33.81**	**-**	**6701461**	**33.81**	**-**	**-**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.		Shareholding at the beginning of the year		Market Purchase/ Transfer		Cumulative Shareholding during the year	
		No. of shares	% of total shares of Company	Date of Change	No. of Share Increase/ Decrease	No. of shares	% of total shares of Company
1	At the beginning of the year	There is no change in Promoters & Promoters Group Shareholding during F.Y. 2015-16					
2	At the End of the year						

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

		Shareholding at the beginning of the year		Market Purchase/Sale		Cumulative Shareholding during the year		
S. No.	**Top 10 Shareholders**	**No. of shares**	**% of total shares of the company**	**Date of Change**	**No. of Share Increase/ Decrease**	**No. of shares**	**% of total shares of the company**	**% change in share holding during the year**
1	**Aspire Emerging Fund**	1825000	9.21	-	-	1825000	9.21	-
				10.04.2015	(160000)	1665000	8.40	(0.81)
				22.05.2015	313590	1978590	9.98	1.58
2	**Landscape Traders**			**31.03.2016**	**-**	**1978590**	**9.98**	**-**
	Pvt. Ltd.	1366092	6.89	**31.03.2016**	-	**1366092**	**6.89**	-
3	**Arpit Agencies Pvt. Ltd.**	1290799	6.51	**31.03.2016**	-	**1290799**	**6.51**	-
4	**Sparrow Asia Diversified* Opportunities Fund**	-	-	10.04.2015	989000	989000	4.99	4.99
				31.03.2016	**-**	**989000**	**4.99**	**-**
5	**Stream Value Fund***	-	-	10.04.2015	988785	988785	4.99	4.99
				31.03.2016	**-**	**988785**	**4.99**	**-**
6	**Leman Diversified Fund***	-	-	10.04.2015	988000	988000	4.98	4.98
				31.03.2016	-	**988000**	**4.98**	-
7	**Davos International Fund***	-	-	10.04.2015	987500	987500	4.98	4.98
				31.03.2016	**-**	**987500**	**4.98**	**-**

8	**Daniel Vinimay**							
	Pvt. Ltd.	966190	4.87	**31.03.2016**	-	**966190**	**4.87**	-
9	**Santosh Kumar**							
	Kejriwal Securities							
	Pvt. Ltd.#	366251	1.85	-	-	366251	1.85	-
				10.04.2015	(247100)	119151	0.60	(1.25)
				17.04.2015	(118960)	191	0.00	(0.60)
				24.04.2015	(191)	0.00	0.00	0.00
				18.12.2015	25000	25000	0.13	-
				25.12.2015	(25000)	0.00	0.00	(0.13)
				31.03.2016	-	-	-	-
10	**Ankur Agencies**							
	Pvt. Ltd.	679200	3.43	-	-	679200	3.43	-
				11.12.2015	18500	697700	3.52	0.09
				31.03.2016	-	**697700**	**3.52**	-
11	**ICICI Bank Ltd.**	401147	2.02	-	-	401147	2.02	-
				23.10.2015	(4617)	396530	2.00	(0.02)
				30.10.2015	(2627)	393903	1.99	(0.01)
				27.11.2015	(18264)	375639	1.90	(0.09)
				04.12.2015	(13915)	361724	1.83	(0.07)
				11.12.2015	(5700)	356024	1.80	(0.03)
				18.12.2015	(224)	355800	1.80	(0.00)
				25.12.2015	(3523)	352277	1.78	(0.02)
				31.12.2015	(29088)	323189	1.63	(0.15)
				01.01.2016	(4635)	318554	1.61	(0.02)
				08.01.2016	(1280)	317274	1.60	(0.01)
				15.01.2016	(1436)	315838	1.59	(0.01)
				22.01.2016	(224)	315614	1.59	(0.00)
				29.01.2016	(8873)	306741	1.55	(0.04)
				05.02.2016	(8427)	298314	1.51	(0.04)
				12.02.2016	(854)	297460	1.50	(0.00)
				31.03.2016	-	**297460**	**1.50**	-
12	**Mini Builders**							
	Pvt. Ltd.#	242930	1.23	-	-	242930	1.23	-
				17.04.2015	(17500)	225430	1.14	(0.09)
				24.04.2015	(77800)	147630	0.74	(0.39)
				01.05.2015	(45000)	102630	0.52	(0.23)
				08.05.2015	(27900)	74730	0.38	(0.14)
				15.05.2015	(27000)	47730	0.24	(0.14)
				22.05.2015	(47730)	-	-	(0.24)
				31.03.2016	-	-	-	-
13	**Park Chambers**							
	Limited#	230700	1.16	-	-	230700	1.16	-
				27.11.2015	(20000)	210700	1.06	(0.10)
				04.12.2015	(40000)	170700	0.86	(0.20)
				11.12.2015	(49012)	121688	0.61	(0.25)
				18.12.2015	(100000)	21688	0.11	(0.50)
				25.12.2015	(21688)	-	-	(0.11)
				31.03.2016	-	-	-	-

14	**Highbluesky Emerging Market Fund**	305779	1.54	-	-	305779	1.54	-
				25.03.2016	(102654)	203125	1.02	(0.52)
				31.03.2016	-	**203125**	**1.02**	-
15	**Pawan Kumar Kejriwal***	135000	0.68	-	-	135000	0.68	-
				10.04.2015	195100	330100	1.67	0.98
				17.04.2015	157389	487489	2.46	0.79
				24.04.2015	83050	570539	2.88	0.42
				01.05.2015	17000	587539	2.96	0.09
				15.05.2015	9000	596539	3.01	0.05
				31.03.2016	-	**596539**	**3.01**	-

Note: The above are market purchase and sale during the year as per weekly beneficiary position received from depositories.

* Not in the list of Top 10 shareholders as on 01/04/2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2016.

Ceased to be in the list of Top 10 shareholders as on 31.03.2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2015.

(v) Shareholding of Directors and Key Managerial Personnel : -

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Name of the Director/ KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sh. Ashish Bagrodia	49220	0.25	49220	0.25
2	Sh. Satish Girotra	250	0.00	250	0.00
3	Sh. Chandra Mohan	-	-	-	-
4	Sh. Amrit Lal Batra	-	-	-	-
5	Smt. Neena Singh	-	-	-	-
6	Sh. Anil Sharma- CEO	-	-	-	-
7	Sh. Sanjay Kedia- CFO	-	-	-	-
8	Sh. Sourabh Gupta- CS	-	-	-	-

V. INDEBTEDNESS

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

(Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	38022.07	---	---	38022.07
ii) Interest due but not paid	17.14	---	---	17.14
iii) Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	**38039.21**	**---**	**---**	**38039.21**
Change in Indebtedness during the financial year				
i) Addition	1128.25	---	---	1128.25
ii) Reduction	3887.62	---	---	3887.62
Net Change	**(2759.37)**	**---**	**---**	**(2759.37)**
Indebtedness at the end of the financial year				
i) Principal Amount	35275.97	---	---	35275.97
ii) Interest due but not paid	3.87	---	---	3.87
iii) Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	**35279.84**	**---**	**---**	**35279.84**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :- **(Rs. in Lacs)**

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager
		Sh. Ashish Bagrodia (Chairman & MD)
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	77.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.03
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---
2.	Stock Option	---
3.	Sweat Equity	---
4.	Commission - as % of profit	---
5.	Others, please specify	
	Contribution to Provident fund	6.60
	Total (A)	**86.63**
	Ceiling as per the Act	5% of net profits of the Company calculated as per section 198 of Companies Act, 2013.

B. Remuneration to other directors: **(Rs. in Lacs)**

Sr. No	Particulars of Remuneration	Name of Directors				Total
1	**Independent Directors**	**Sh. Chandra Mohan**	**Sh. Satish Girotra**	**Sh. Amrit Lal Batra**	**Smt. Neena Singh**	
	Fee for attending board / committee meetings	0.40	0.30	0.40	0.30	1.40
	Commission	---	---	---	---	---
	Others, please specify	---	---	---	---	---
	Total (1)	**0.40**	**0.30**	**0.40**	**0.30**	**1.40**
2	**Other Non-Executive Directors**	---	---	---	---	---
	Fee for attending board / committee meetings	---	---	---	---	---
	Commission	---	---	---	---	---
	Others, please specify	---	---	---	---	---
	Total (2)	---	---	---	---	---
	Total (B)=(1+2)	**0.40**	**0.30**	**0.40**	**0.30**	**1.40**
	Total Managerial Remuneration	**0.40**	**0.30**	**0.40**	**0.30**	**1.40**
	Overall Ceiling as per the Act	1% of net profits of the Company calculated as per section 198 of Companies Act, 2013.				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. in Lacs)

Sr. No	Particulars of Remuneration	Key Managerial Personnel			Total
		Sh. Anil Sharma (CEO)	Sh. Sanjay Kedia (CFO)	Sh. Sourabh Gupta (CS)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	56.67	26.33	10.84	**93.84**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.15	0.15	0.15	**0.45**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---	**---**
2	Stock Option	---	---	---	**---**
3	Sweat Equity	---	---	---	**---**
4	Commission - as % of profit	---	---	---	**---**
5	Others, please specify Contribution to Provident fund	3.94	1.82	0.75	**6.51**
	TOTAL	**60.76**	**28.30**	**11.74**	**100.80**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :- NIL

ANNEXURE - 4

NOMINATION AND REMUNERATION POLICY OF WINSOME TEXTILE INDUSTRIES LIMITED

1 INTRODUCTION

Pursuant to provisions of Section 178 of Companies Act, 2013 & rules made thereunder and Clause 49 of the Listing Agreement, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee.

Although the Company has already constituted a Remuneration Committee comprising of three non-executive Independent Directors as required under Listing Agreement but in order to align with the provisions of Companies Act, 2013 & rules made thereunder and according to revised Clause 49 of Listing Agreement, the Board of Directors have renamed the "Remuneration Committee" as "Nomination and Remuneration Committee" and revised its terms of reference/area of operation in compliance of Section 178 of the Companies Act, 2013 & rules made thereunder and as per revised Clause 49 of the Listing Agreement, as amended time to time.

2 KEY OBJECTIVES OF POLICY

The Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and as per revised Clause 49 of the Listing Agreement, as amended time to time. The primary objective of this Policy is to provide a framework and set standards for the nomination and remuneration of the Directors, Key Managerial Personnel and officials comprising the senior management. The Company aims to achieve a balance of merit, experience and functional skills amongst its Directors, Key Managerial Personnel and Senior Management and to remunerate them appropriately.

3 APPLICABILITY

This policy is applicable to :

1. Directors viz. Executive Directors, Non-executive Director, Whole Time Director, Managing Director and Independent Director
2. Key Managerial Personnel
3. Senior Management Personnel
4. Other Employees of the Company

The said policy is applicable with immediate effect.

4 DEFINITIONS

I "Act" means Companies Act, 2013 and rules thereunder, as amended time to time.

II "Board of Directors" or 'Board', in relation to the Company, means the collective body of the directors of the Company including the Chairperson/Chairman of the Company.

III "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the provisions of Section 178 of Companies Act, 2013 and the Listing Agreement, as amended time to time.

IV "Director" means a Director appointed to the Board of a Company.

V " Independent Director" means a Director referred under provisions of Section 149 of the Companies Act, 2013 and rules thereunder and as provided under Clause 49 of Listing Agreement, as amended time to time.

VI "Key Managerial Personnel" mean key managerial personnel as defined under the Companies Act, 2013 & rules made thereunder, including any amendment or modification thereof, and includes

1. Managing Director, or Chief Executive Officer or manager and in their absence, a whole time director;
2. Company Secretary
3. Chief Financial Officer and
4. Such other officer as may be prescribed.

VII "Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

VIII "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

IX "Policy or This Policy" means "Nomination and Remuneration Policy."

X " Interpretation" The terms, words & expressions, that have not been defined in this Policy shall have the same meaning respectively assigned to them in the Companies Act, 2013, rules made thereunder, Listing Agreement and/or any other SEBI Regulation(s) as amended from time to time.

5 MAJOR FUNCTIONS OF NOMINATION AND REMUNERATION COMMITTEE

The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel. The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which will make recommendations & nominations to the Board. In this regard, the said Committee, apart from other functions as assigned/delegated to it, will look after the following functions:-

- To 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.

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

- To carry out/to perform such other function as as may be necessary or appropriate or as may be assigned/delegated/mandated to it by the Board from time to time and/ or enforced by any Statutory notification, Amendment or Modification, as may be applicable.

The aforesaid Policy will ensure that:

a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

6 APPOINTMENT AND REMOVAL OF DIRECTOR'S, KMP'S AND SENIOR MANAGEMENT PERSONNEL

1 Appointment criteria and qualifications:

A The Committee shall identify and ascertain the suitable person(s) and recommend to the Board his/her appointment/re-appointment for appointment as Director(s), KMP(s) or at Senior Management level.

B A person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment/re-appointment. The appointee

may be assessed by the committee against a range of criteria which include but not limited to integrity, qualification, expertise, industry experience, inter-personal skill, and such other appropriate qualities of the person(s), as may be required, to handle/perform successfully the position so chosen with due regard for the benefits from diversifying the Board.

The Committee/Board has discretion to decide whether the qualification, knowledge, expertise, functional skill and experience etc. possessed by a person are sufficient / satisfactory for the concerned position.

C The Company shall appoint or re-appoint the Director/Managing Director/Whole-time Director/Manager in accordance with the provisions, rules and regulations as framed under the Companies Act 2013, rules made thereunder and under Listing Agreement, as amended time to time.

D Appointment of Independent Director is subject to the compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules made thereunder, and under Listing Agreement, as amended time to time.

2 Term / tenure :

i *Managing Director/Whole-time Director/Manager (Managerial Person):*

The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

ii *Independent Director :*

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

The term/ tenure of Independent Directors and reckoning of the limit of Companies, in which a person can appointed as Director, Independent Director, Managerial Person, as the case may be, will be fixed or determined as per the provisions of Companies Act 2013, rules made thereunder and as per Listing Agreement, as amended time to time.

3 Letter of Appointment

Each Independent Director/KMP's/Senior Management Personnel, as the case may be, is required to sign the Letter of appointment with the Company containing

the terms & conditions of his/her appointment/re-appointment and the role/profile assigned in the Company.

4 Removal

Due to reasons for any disqualification(s) mentioned in the Companies Act, 2013, rules made thereunder, under Listing Agreement or under any other laws, rules & regulations, the Committee may recommend to the Board with reasons recorded in writing, for removal of Director and for removal/termination/suspension/dismissal of KMP's or Senior Management Personnel subject to the compliance of applicable Acts, Rules & Regulations, if any.

Although for removal//termination/suspension/dismissal of KMP's or any other Senior Management Personnel of the Company, the Committee may, if so required, refer the HR Policy of the Company.

5 Retirement

The Director, KMP's and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and as per the prevailing HR policy of the Company, as amended time to time. The Board will have the discretion to retain the Director, KMP's, Personnel of Senior Management in the same position/ role, remuneration or otherwise, even after attaining the retirement age, in the bonafide interest and for the benefit of the Company, if so required.

7 PROVISIONS RELATING TO REMUNERATION OF DIRECTORS, KMP's, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

The Guiding Principle is that the level and composition of remuneration shall be reasonable & sufficient so as to attract, retain, motivate Directors, Key Managerial Personnel's, Senior Management Personnel & other employees. The Directors, Key Managerial Personnel's, Senior Management Personnel & other employee's salary shall be based & shall be determined on the basis of individual person's qualifications, profile, related experience, responsibilities, role in the organization and his/her performance and in accordance with the limits as prescribed Statutorily, if any.

Further, the Nomination & Remuneration Committee while determining the individual remuneration packages/structure for Directors, KMP's, Senior Management Personnel and for other employee's of the Company will consider all relevant factors including but not limited to Company's HR Policy, market survey, business performance & prevailing practice in comparable companies, benchmarks fixed for same grade of employees, particular industry growth, prevailing laws, government guidelines and also having due regard to financial health/profitability of the Company,

7A **General Provisions:**

i The remuneration/compensation/commission etc. to Directors, KMP's, Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.

ii The remuneration /compensation/commission etc. to be paid to Directors, shall be as per the Statutory provisions of Companies Act, 2013, and rules made thereunder for the time being in force and shall be subject to the prior/post approval of shareholders of the Company and Central Government, wherever required/ applicable.

iii Where any insurance is taken by a company on behalf of its Managing Director, Whole-time Director, Manager, Directors, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

7B **Specific Provisions regarding remuneration to Directors, KMP's, Senior Management Personnel and Other Employees :**

1 *Fixed Pay/ Base Compensation*

i Directors, KMP's and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of Committee in accordance with the provisions of Companies Act, 2013, and the rules made thereunder for the time being in force. The basic pay, break-up of remuneration structure, quantum of perquisites, perks, allowances & certain other statutory/non statutory benefits etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be approved by the shareholders and Central Government, wherever required/applicable.

ii Increments to the existing remuneration structure shall be approved by the Committee for KMP's and Senior Management Personnel and for other employees of the Company. However increments to the Whole Time Director, Managing Director, Executive Director or Manager (as the case may be) will be within the limits/slabs as approved by the Shareholders in their general meeting & will be paid in accordance with their respective terms and conditions of appointment/re-appointment.

The increments will be effective from 1st April in respect of Whole-time Director, Managing Director, Executive Director (as the case may be) as well as in respect of other employees of the Company, unless otherwise decided.

iii The Committee may refer Company's HR Policy, if so required, in respect of aforesaid matters.

2 *Minimum Remuneration*

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director, Whole Time Director or Manager in accordance with the provisions of Schedule V of the Companies Act, 2013 & rules made thereunder, as amended time to time, with approval of Central Government, wherever required/applicable.

3 *Provisions for excess remuneration*

If Managing Director, Whole Time Director or Manager draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 & rules made thereunder, as amended time to time or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

7C **Remuneration to Non-Executive / Independent Directors**

I *Remuneration / Commission*

The remuneration / commission shall be in accordance with the Statutory Provisions of the Companies Act, 2013, and the rules made thereunder and as per Listing Agreement, for the time being in force.

II *Sitting Fees*

The Non- Executive / Independent Directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Further the boarding, lodging, traveling expenses & out of pocket expenses, if any shall be reimbursed to the Non- Executive/ Independent Directors on actual basis, residing out of Chandigarh.

III *Stock Options*

Pursuant to the provisions of the Companies Act, 2013 & rules made thereunder, an Independent Director shall not be entitled to any stock option of the Company.

8 REVIEW AND AMENDMENT

The Nomination and Remuneration Committee shall periodically review the Nomination and Remuneration Policy. The Board of Directors after considering the recommendations of Nomination and Remuneration Committee is empowered to amend this policy either in whole or in part, at any time consistent with requirements of applicable laws, rules and regulations.

ANNEXURE - 5

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR F.Y. 2015-16

1 A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

It is the Company's intent to establish itself and remain as a responsible Corporate entity conscious of its social responsibilities towards its work force, community and environment. The Policy of Winsome Textile Industries Limited on Corporate Social Responsibility (CSR) framed under provisions of Section 135 of Companies Act 2013 & rules made there under has following major objectives:-

- To identify and formulate projects and areas in response to the needs of society and to implement them with full involvement and commitment in a time bound manner.
- To adopt an approach that aims at achieving a greater balance between social and economic development.
- To implement CSR Activities/CSR programmes primarily in the economic vicinity Company's operations with a view to ensuring the long term sustainability of such interventions.
- Contribution to the society at large by way of socio-economic activities and social awareness ensuring that benefits reach the targeted beneficiaries.
- To comply with the requirements of Companies Act and all other applicable Acts, Rules, Regulations framed by the Government time to time.

The CSR activities may be focused not just around units/plants and offices of the company, but also in other geographies based on the needs of the communities. In pursuance to CSR Policy, Company has decided to conduct or undertake all or any of prescribed activities/ activity/sub-activity, as mentioned in Schedule VII of the Companies Act 2013 and rules & regulations made thereunder, (as amended time to time), either by Company itself or by Winsome Foundation Trust or by both. Winsome Foundation Trust is a Charitable Trust registered under Income Tax Act and established by Company who also fulfills the criteria laid down under Companies (CSR Policy) Rules 2014. The Company has constituted Corporate Social Responsibility (CSR) Committee as required under section 135 of Companies Act 2013 and rules made thereunder to monitor/review the CSR activities/CSR projects, its mechanism & other prescribed activities/matters. The CSR policy is available on the Company's website at following weblink:

http://www.winsometextile.com/files/pdf/68-59-file.pdf

2 Composition of CSR Committee

Shri Ashish Bagrodia - Chairman of Committee
Shri Chandra Mohan - Member
Shri Satish Girotra - Member

3 Average net profIt of the company for last three financial years

Rs. 2341.33 Lacs

4 Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

Rs. 46.83 Lacs

5 Details of CSR spent during the financial year

a Total amount to be spent for the financial year: Rs. 46.83 lacs
b Amount unspent, if any: NIL
c Manner in which the amount spent during the financial year is detailed below:

(Rs. in Lacs)

(1) S.N.	(2) CSR project or activity identified	(3) Sector in Which the Project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) or programme-wise	(6) Amount spent on the projects or programs sub-heads: (I) Direct expenditure on projects or progarms- (2) Overheads:	(7) Cumulative expenditure upto the reporting period.	(8) Amount spent: Direct or through implementing agency
				46.83			
1.	Promoting Healthcare, Sanitation in rural areas	Healthcare & Sanitation	Dharamshala Distt. Kangra, H.P.		0.15	0.15	Direct
2	Protection of National Heritage, art & culture in rural area	National Heritage, Art & Culture	Dharamshala Distt. Kangra, H.P.		0.50	0.50	Direct
3	Creation/ Development of Infrastructure by installation of Solar Street Lights in rural areas	Rural Development Project	Baddi, Distt. Solan, H.P.		10.40	10.40	Direct
4	Creation/ Development of Infrastructure in Govt. School in rural areas	Education & Rural Development Project	Baddi, Distt. Solan, H.P.		0.50	0.50	Direct
5	Promotion of Education	Education	New Delhi		0.50	0.50	Direct
6	Contribution to CSR Corpus of Winsome Foundation Trust created exclusively for CSR activities				34.78	34.78	Direct
	TOTAL			**46.83**	**46.83**	**46.83**	

6	**In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**
	NIL
7	**A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.**
	The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Sd/
(Anil Sharma)
Chief Executive Officer
DIN-00047021

Sd/
(Ashish Bagrodia)
Chairman of CSR Commiltee
DIN-00047021

Date: 27.05.2016
Place: Chandigarh

ANNEXURE - 6

INFORMATION PURSUANT TO SECTION 197 OF COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

(I) Ratio of remuneration of each Director to the median remuneration of Employees of Company for F.Y. 2015-16:

Sh. Ashish Bagrodia: 29.47:1
Chairman & Managing Director

(II) The percentage increase in remuneration of each Director, CEO, CFO & CS during F.Y. 2015-16:

S. No.	Name	Designation	% increase in Remuneration
1	Sh. Ashish Bagrodia	CMD	33.05%
2	Sh. Anil Sharma	CEO	54.45%
3	Sh. Sanjay Kedia	CFO	49.81%
4	Sh. Sourabh Gupta	CS	14.76%

Except Sh. Ashish Bagrodia, remaining Non-Executive Independent Directors are entitled for sitting fees only. The details of Non-Executive Independent Directors are provided in separately Corporate Governance Report. Therefore the ratio of remuneration and percentage increase for Non-Executive Independent Directors is not considered for aforesaid purposes at point no. (I) & (II).

(III) The percentage increase in the median remuneration of employees for F.Y. 2015-16:
6.52%.

(IV) The number of permanent employees on the rolls of company as on 31st March 2016:
1992.

(V) The explanation on the relationship between average increase in remuneration and company's performance:

The reward philosophy of the Company is to provide market competitive total reward opportunity that has a strong linkage to and drives performance culture. The increase in salary are decided on the basis of a benchmarking exercise that is undertaken with similar profile organizations as well as business affordability. Although the average increase is based on the objectives of nomination & remuneration policy of the Company that is designed to attract, motivate and retain the talented employees for overall organizational success and helps the Company to retain its industry competitiveness.

(VI) Comparison of the remuneration of Key Managerial Personnel against the performance of company:

Remuneration of KMP's is fixed according to remuneration policy of Company & annual increments are based on Company's performance, individual's performances & peer industries. The total remuneration of KMP's in 2015-16 is increased by 14.83% as compared to 2014-15, whereas Profit After Tax (PAT) is increased by 58.56% in 2015-16 as compared to 2014-15.

(VII) Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of shares of company in comparison to the rate at which the company came out with the last public offer:

Market capitalization	As on 31.03.2016	As on 31.03.2015	% Variations
BSE (Rs. in Crores)	62.14	71.35	(12.91)
Price Earning Ratio	As on 31.03.2016	As on 31.03.2015	% Variations
	3.03	5.52	(45.05)
Closing Price	As on 31.03.2016	As on 31.03.2015	
BSE (In Rs.)	31.35	36.00	

The IPO of Company came out in the year 1983 at Rs.10/- each. However same is not comparable as the Company has done a rights issue, stock split and consolidation of shares during the intervening period.

(VIII) 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 point out if there are any exceptional circumstances for increase in the managerial remuneration.

Average percentage increase made in the salaries of employees other than the managerial personnel in F.Y. 2015-16 is by 21.02% whereas the percentage increase in the managerial remuneration is by 14.83%. The remuneration to employees and to managerial personnel is commensurate with industry standards & as per nomination & remuneration policy of Company.

(IX) Comparison of the each remuneration of key managerial personnel against the performance of company:

S. No.	Name	Designation	Remuneration for F.Y. 2015-16 (Rs. In Lacs)	Profit After Tax for F.Y. 2015-16 (Rs. In Lacs)	% Increase / (Decrease) in Remuneration
1	Sh. Ashish Bagrodia	CMD	86.63	2048.62	4.23
2	Sh. Anil Sharma	CEO	60.76		2.97
3	Sh. Sanjay Kedia	CFO	28.30		1.38
4	Sh. Sourabh Gupta	CS	11.74		0.57

(X) The key parameters for any variable component of remuneration availed by the Directors:

The key parameters for variable component of remuneration to the Directors, if any, are decided by the Nomination and Remuneration Committee in accordance with the principles laid down by Nomination & Remuneration Policy.

(XI) The ratio of the remuneration of highest paid Director to that of the Employees who are nor Directors but receive remuneration in excess of the highest paid Director during the year:

Not Applicable as no employee is drawing remuneration in excess of the highest paid Director.

(XII) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of Company.

ANNEXURE - 7

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF COMPANIES ACT 2013 READ WITH RULE 5(2) & 5(3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The necessary information is as hereunder:-

i	**Name**	Shri Ashish Bagrodia	Shri Anil Sharma	Shri Satish Bagrodia
ii	**Designation**	CMD	President & CEO	Advisor
iii	**Remuneration**	Rs.86.63 Lacs	Rs.60.76 Lacs	# Rs.43 Lacs
iv	**Nature of employment**	Whole Time	Whole Time	Whole Time
v	**Qualifications**	B.E. (Mech.) Hons.	B. Tech & MBA	B.Sc. Engg. (Mech.) & FIE.
vi	**Experience**	21 years	37 years	51 years
vii	**Commencement of employment**	1st October 1996	1st October 1985	1st March 2015
viii	**Age**	46 years	62 years	77 years
ix	**Last employment held**	NIL	Mahavir Spinning Mills Ltd.	Winsome Textile Ind. Ltd. as Chairman & Whole Time Director.
x	**Percentage of equity shares held in Company**	0.25% (49220 Shares)	NIL	NIL
xi	**Whether such employee is a relative of any director or manager of the company.**	Sh. Ashish Bagrodia is son of Sh. Satish Bagrodia.	NIL	Sh. Satish Bagrodia is father of Sh. Ashish Bagrodia, CMD.

Sh. Satish Bagrodia has forego the salary of Rs.17 Lacs during F.Y. 2015-16 in the bonafide interest of Company.

Note: None of the employee mentioned above hold more than 2% of the shares of the Company along with his spouse and dependent children.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is a set of system, process and principles which ensure that a Company is governed in the best interest of all stakeholders. The objective of Good Corporate Governance is to ensure the Board's commitment towards transparent management to maximize long term value for the Company's shareholders of all stakeholders. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

2. BOARD OF DIRECTORS

The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors so as to have a balanced structure. As on 31st March 2016, the Board of Directors consists of five Directors, out of which one is Promoter Director (Executive Chairman & Managing Director) and four are Non-Executive Independent Directors out of which there is one Women Director. None of the Directors have any inter-se relationship among themselves. None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("hereinafter referred to as Listing Regulations") across all the companies in which they are Directors. The necessary disclosures regarding committee memberships have been made by all the Directors. The Non-Executive Independent Directors fulfill the conditions of independence as specified in Section 149 of Companies Act 2013 and rules made thereunder and meet with requirements of Listing Regulations.

During the Financial Year 2015-16, Four Board Meetings were held. These meetings were held on 26th May 2015, 13th August 2015, 29th October 2015 and 09th February 2016. As stipulated by Code of Independent Directors under Companies Act 2013 and under Listing Regulations, a Separate Meeting of independent Directors was held on 09th February, 2016 to review the performance of Non-Independent Directors including the Chairman and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of flow of information between Management and the Board. All Independent Directors were present in the said meeting.

The names and categories of Directors on the board, their attendance at Board Meetings during the year and at the last Annual General Meeting, number of Directorships, Committee memberships/ Chairmanship held by them in other Companies are given below:

Name of Director	Category	Attendance Particulars		Directorship in Other Companies	Membership/ Chairmanship of the Committees of the Board in Other Companies #		
		Board Meeting	Last AGM		Membership	Chairmanship	Total
Shri Chandra Mohan	INED	4	Yes	7*	2	-	2
Shri Satish Girotra	INED	3	Yes	9*	-	-	-
Shri Amrit Lal Batra	INED	4	No	-	-	-	-
Shri Ashish Bagrodia	Chairman & MD	4	Yes	5	-	-	-
Smt. Neena Singh	INED	3	No	2	2	-	2

INED: Independent & Non Executive Director
MD: Managing Director (Executive)

* Directorship includes Private Limited Companies also.

\# The committees considered for the above purpose are Audit Committee and Stakeholders Relationship Committee.

3. INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information about the Company. All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information including minimum information as stipulated under Regulation 17(7) of Listing Regulations to the extent it is applicable & relevant and documents to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees for the information of Board. The Board reviews the declarations/reports made by the Management regarding compliance with applicable laws on quarterly basis as well as steps taken by the Company to rectify instances of non-compliances, if any. Post meetings, all important decisions taken at the meeting are communicated to the concerned officials and departments.

4. SUCCESSION PLAN

The Board of Directors have satisfied itself that plans are in place for orderly succession for appointment to the board and to Senior Management. The Company's Policy on succession plan is available on its website viz. www.winsometextile.com .

5. MAXIMUM DIRECTORSHIP & TENURE OF INDEPENDENT DIRECTORS

The maximum tenure of Independent Directors is in compliance with the Companies Act 2013. The Company has issued formal letters of appointment to all the Independent Directors. At the time

of appointment of an independent director, it was ensured that the number of Boards on which such independent director serves is restricted to seven listed companies as an independent director and three listed companies as an independent director in case such person is serving as a whole-time (executive) director of a listed company. The terms & conditions of appointment of independent directors are available on Company's website viz. www.winsometextile.com.

6. CODE OF CONDUCT

The Company is committed to conduct its business in accordance with the pertinent laws, rules and regulations and with the highest standards of business ethics. The Company has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct is posted on Company's website viz. www.winsometextile.com. All Board members and Senior Management Personnel have affirmed compliance with the Code. A declaration signed by Chief Executive Officer of Company (CEO) to this effect is enclosed at the end of this report.

7. PREVENTION OF INSIDER TRADING CODE

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Code is applicable to Promoters and Promoter's Group, all Directors, KMP's and such Designated Employees etc. who are expected to have access to unpublished price sensitive information relating to Company. The Code lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with the shares of Company and cautioning them about the consequences of violations. The Company Secretary is responsible for implementation of this code. During the year under review, there has been due compliance with the said code. The Company has also formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The same is also posted on Company's website viz. www.winsometextile.com.

8. CEO AND CFO CERTIFICATION

As per Regulation 17 of Listing Regulations, the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company have issued certificate pursuant to the provisions of Listing Regulations certifying that the financial statements and the cash flow statement do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is attached herewith and forms part of the Annual Report.

9. COMMITTEES OF THE BOARD

The Board of Directors have constituted various Board Committees in compliance of Companies Act as well as Listing Regulations/Listing Agreement to deal with specific areas and activities as stipulated under the Companies Act and Listing Obligations. The Board Committees meet at regular intervals, takes necessary steps to perform its duties/functions entrusted by the Board.

(A) Audit Committee

Audit Committee functions in accordance with the terms of reference as set out under Listing Regulations read with provisions of Section 177 of Companies Act, 2013 & rules made thereunder and additional responsibilities assigned to it by Board of Directors of the Company. The Committee reviews the internal audit reports and findings of internal auditors along with the comments of management. The functions of the Audit Committee among others, include approving and implementing the audit procedures, effective supervision of Financial Reporting System, Whistle Blower Mechanism, Internal Control and Procedures, Recommending appointment of Statutory Auditors, Cost Auditors & Secretarial Auditors to Board and also ensuring compliances with applicable regulatory guidelines etc. The maximum gap between any two meetings was less than one hundred & twenty days. The composition, names of members, chairperson, particulars of the meetings and attendance of the members during the financial year are as below:

During the financial year 2015-16, Four Audit Committee meetings were held on 26th May 2015, 13th August 2015, 29th October 2015 and 09th February 2016.

S. No.	Name of members	Category	No. of meetings attended during the year 2015-2016
1	Shri Chandra Mohan, Chairman*	Independent/Non-Executive	4
2	Shri Satish Girotra, Member*	Independent/Non-Executive	3
3	Shri Amrit Lal Batra, Member	Independent/Non-Executive	4

* Pursuant to reconstitution of Audit Committee w.e.f. 01.11.2015, Sh. Chandra Mohan was appointed as Chairman & Sh. Satish Girotra was appointed as Member of Committee.

The Managing Director along with the Statutory Auditors, Cost Auditors, Secretarial Auditors and Internal Auditors were invitees to the meetings. The Company Secretary acts as Secretary to the Audit Committee.

(B) Nomination and Remuneration Committee

The Nomination and Remuneration Committee functions in accordance with the terms of reference as set out under Listing Regulations read with provisions of Section 178 of Companies Act, 2013 & rules made thereunder. The functions of Nomination and Remuneration Committee include formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to remuneration of directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and the board of directors, devising a policy on diversity of board of directors, identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with criteria laid down and recommend to the board of directors their appointment and removal etc. During the financial year 2015-2016, two meetings of Nomination and Remuneration Committee were held on 26th May 2015 and 13th August 2015.

S. No.	Name of members	Category	No. of meetings attended during the year 2015-2016
1	Shri Satish Girotra, Chairman*	Independent/Non-Executive	1
2	Shri Chandra Mohan, Member*	Independent/Non-Executive	2
3	Smt Neena Singh , Member	Independent/Non-Executive	2

* Pursuant to reconstitution of Nomination & Remuneration of Committee w.e.f. 01.11.2015, Sh. Satish Girotra was appointed as Chairman & Sh. Chandra Mohan was appointed as Member of Committee.

The details of remuneration paid to the Directors during the F.Y. 2015-16 are given below:-

Remuneration Policy

The remuneration paid to Executive Director(s) of the Company is approved by the Board of Directors on the recommendations of the Nomination and Remuneration Committee & subsequently approved by shareholders in General Meeting. The Company's remuneration strategy is market-driven and aims at attracting and retaining high caliber talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance & achievements. In accordance with the provisions of Section 178 of Companies Act 2013 and Listing Regulations (earlier Clause 49 of Listing Agreement), the Company has adopted Nomination & Remuneration policy for Directors, KMPs, Senior Management Personnel & other employees of the Company upon the recommendations of Nomination and Remuneration Committee. Same is also posted on Company's website viz. www.winsometextile.com.

i) Remuneration of Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting Fees and reimbursement of expenses for participation in the Board/Committee meetings. The Non-Executive Directors are entitled to sitting fees of Rs. 10,000/- for each Board Meeting or Committee of the Board. The aforesaid sitting fees is within the limits prescribed under Companies Act, 2013 and rules made thereunder. The details of remuneration are as hereunder:

Name of Directors	Total (Amount in Rs.)
Shri Chandra Mohan	40000
Shri Satish Girotra	30000
Shri Amrit Lal Batra	40000
Smt. Neena Singh	30000

ii) Remuneration of Executive Directors

The details of remuneration paid to the Executive Director is as hereunder:

(Rs. in lacs)

Name of Directors	Salary	Perquisites*	Total
Shri Ashish Bagrodia	77.00	9.63	86.63

* Perquisites includes House Rent Allowance or Housing Accommodation, contribution to provident & other funds and other perks/ benefits provided by the Company.

There is no Employee Stock Option Scheme (ESOP) in the Company as on 31st March 2016. Further, there are no pecuniary relationships or transactions of Non-Executive Director vis-a-vis the Company which has potential conflict with the interest of the Company at large.

(C) Stakeholders Relationship Committee

The Stakeholders Relationship Committee functions in accordance with the terms of reference as set out under provisions of Listing Regulations, read with provisions of Section 178 of the Companies Act, 2013 & rules made thereunder i.e. redressing of Shareholders/Investors complaints, regarding to share transfers, non-receipt of balance sheet/dividend by the shareholders etc. The said committee was reconstituted w.e.f. 01.04.2015. During the financial year 2015-16, four Stakeholders Relationship Committee meetings were held on 26th May 2015, 13th August 2015, 29th October 2015 and 09th February 2016. The composition, names of the members, chairperson, particulars of the meetings and attendance of the members during the year are as below:

S. No.	Name of members	Category	No. of meetings attended during the year 2015-2016
1	Shri Amrit Lal Batra, Chairman	Independent/Non-Executive	4
2	Shri Ashish Bagrodia, Member	Executive Director	4
3	Smt. Neena Singh, Member	Independent/Non-Executive	3

During the financial year, the request for transfer/demat/remat of shares, change of address etc. have been duly effected. During the year, no complaint was received. Hence no grievance was pending at the end of the financial year. Shri Sourabh Gupta, Company Secretary is the Compliance Officer of the Company for SEBI/ Stock Exchange/ROC related issues etc.

(D) Risk Management Committee

In compliance of provisions of Listing Regulations and Companies Act, 2013, Board has constituted a Risk Management Committee. The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the

Company. The Company has adopted a Risk Management Policy under which there are three key elements i.e. Risk Assessment, Risk Management & Risk Mitigation and Risk Monitoring. During the year, the Committee reviewed the risk trend, exposure and potential impact analysis carried out by the management and appropriate steps were taken to mitigate exposed risk. The Risk Management Policy is available on Company's website viz. www.winsometextile.com.

The said Committee was reconstituted w.e.f. 01.04.2015. During the financial year 2015-16, four Risk Management Committee meetings were held on 26th May 2015, 13th August 2015, 29th October 2015 and 09th February 2016.The composition, names of the members, chairperson, particulars of the meetings and attendance of the members during the year are as below:

S. No.	Name of members	Category	No. of meetings attended during the year 2015-2016
1	Shri Ashish Bagrodia, Chairman	Executive Director	4
2	Shri Amrit Lal Batra, Member	Independent/Non-Executive	4
3	Smt. Neena Singh, Member	Independent/Non-Executive	3

(E) Corporate Social Responsibility (CSR) Committee

The Company has constituted a Corporate Social Responsibility (CSR) Committee with majority of Independent Directors under the provisions of Section 135 of Companies Act 2013 & rules made thereunder. The necessary details of same are mentioned in the Director's Report.

10. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under :-

Year	Venue	Date	Time
2012-2013	1, Industrial Area, Baddi, Distt - Solan (H.P.)	27/09/13	10.00 A.M.
2013-2014	1, Industrial Area, Baddi, Distt - Solan (H.P.)	29/09/14	10.00 A.M.
2014-2015	1, Industrial Area, Baddi, Distt - Solan (H.P.)	28/09/15	10.00 A.M.

Extra Ordinary General Meeting

Year	Venue	Date	Time
2014-15	1, Industrial Area, Baddi, Distt - Solan (H.P.)	06/05/15	10.00 A.M.

During the last three years, one special resolution on 27.09.2013, three special resolutions on 29.09.2014 and one special resolution on 28.09.2015 as set out in the respective notices, were passed by the shareholders. Further in aforesaid EGM, one special resolution was passed as set out in its notice. Voting through electronic means (e-voting) was provided to all shareholders through NSDL platform in General Meetings of Company from F.Y. 2013-14 onwards.

No Postal ballots were used for voting in these meetings. At the forthcoming AGM, there is no item on the agenda that needs approval by Postal ballots.

11. DISCLOSURES

a) Related Party Transactions

All related party transactions of the Company are dealt with in accordance with Related Party Transactions Policy of Company and as per provisions of section 188 of Companies Act 2013 & rules made thereunder and as per Listing Regulations. All Related Party Transactions are presented to the Audit Committee and the Board for approval by specifying the nature, value, terms and conditions of the transactions etc.. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions for which omnibus approval has obtained are presented before the Audit Committee as well as to Board on quarterly basis. Although all related party transactions are entered in ordinary course of business and at arm's length basis. There are no materially significant related party transactions made by the Company with its promoters, Directors or Key Managerial Personnel, their relatives etc. that may have potential conflict with the interest of the Company at large.

Suitable disclosures as required by the Accounting Standards (AS 18) are disclosed in Notes to Accounts No. 27.22 read with Accounting Policies in the Annual Report. The Related Party Transactions Policy of Company available on following weblink of Company's website:

http://www.winsometextile.com/files/pdf/68-63-file.pdf

b) Disclosure of Accounting Treatment in preparation of Financial Statements

The Company has followed all relevant Accounting Standards referred to in Section 133 of Companies Act 2013 & rules made thereunder and laid down by Institute of Chartered Accountants of India, while preparing Financial Statements.

c) Details of non-compliance by the listed entity, penalties, strictures imposed by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

During the last three years, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any Statutory Authority for non-compliance of any matter related to the capital markets.

d) Whistle Blower Policy/Vigil Mechanism

The Company has adopted Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behavior. This policy is reviewed quarterly by the Audit Committee to check the effectiveness of the policy & related matters. No personnel have been denied access to the Audit Committee. The relevant details of Whistle Blower Policy are given under the Director's Report and same is available on Company's website viz. www.winsometextile.com.

e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all applicable mandatory requirements. The Company has not adopted non-mandatory requirements except separate post of Chairman of Company and Chief Executive Officer.

f) Commodity Price Risks or Foreign Exchange Risk and Commodity Hedging Activities

The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management. Besides other risks, Company is also exposed to the risk of price fluctuations in the domestic market as well as in overseas market on account of raw materials as well as finished goods. The Company smoothly manages these risks in inputs through forward booking, inventory management, proactive management of vendor development and relationships. The details of foreign currency exposure are disclosed in Notes to Accounts No. 27.27 read with Accounting Policies in the Annual Report.

g) Subsidiary Company

During the year ended 31st March, 2016, neither the Company has any subsidiary nor any material listed/unlisted subsidiary company.

h) Independent Director's Declarations

All Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under the Companies Act, 2013 and Listing Regulations.

i) Disclosures by Senior Management & Key Managerial Personnel

Senior Management and Key Managerial Personnel have made disclosure to the Board relating to all material, financial and other transactions stating that they did not have any personal interest that could result in a conflict with the interest of the Company at large. The material, financial and commercial transactions where Key Managerial Personnel have personal interest forms part of the disclosure on related parties referred to in Notes to Annual Accounts.

12. PERFORMANCE EVALUATIONS

During the year, the Board adopted a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual Directors, including the Chairman of the Board. For Board and its Committees, the exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The Performance evaluation of Non-Independent directors including the Chairman was carried out by Independent Directors in their separate meeting. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees. The necessary details regarding criteria of performance evaluation is mentioned under Director's Report. The Performance Evaluation Policy of Board of Directors is available on Company's website viz. www.winsometextile.com.

13. INDUCTION AND FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

On appointment, the Independent Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The Independent Director on being inducted on the Board, is familiarized by way of programme with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, interaction with the senior management which in turn will help them to understand business model of Company, its process, products etc. It also includes visit to different plants, as & when required, to provide them thorough insight in to business operations. The Company follow such approach for familiarization not only for Independent Directors but any new appointee on the Board, whenever required. To enhance their knowledge and skills, Directors are regularly updated about recent changes/developments in laws, policies, regulations etc. The details of familiarization programmes are available on following weblink of Company's website:

http://www.winsometextile.com/details-of-familiarisation-programme-of-directors

14. BOARD DIVERSITY POLICY

The Board Diversity Policy of the Company requires the Company's Board to comprise of set of accomplished individuals, ideally representing a wide cross-section of industries, professions, backgrounds, occupations and functions and possessing a blend of skills, domain and functional knowledge, experience, educational qualifications, both individually and collectively. The said policy is available on Company's website viz. www.winsometextile.com.

15. DETAILS FOR UNCLAIMED SUSPENSE ACCOUNT FOR UNCLAIMED SHARES

As per Listing Regulations (earlier Clause 5A of Listing Agreement), the details of "Winsome Textile Industries Limited - Unclaimed Suspense Account" are as under :-

Outstanding at the beginning of the year i.e. April 1, 2015		No. of shareholders claimed during the year	No. of shareholders claim transferred during the year	Outstanding at the end of the year i.e. March 31, 2016	
No. of Shareholders	No. of Shares			No. of Shareholders	No. of Shares
13	1210	NIL	NIL	13	1210

The voting rights in respect of above shares shall remain frozen till the rightful owner of such shares claims the shares.

16. MEANS OF COMMUNICATIONS

The quarterly, half yearly & annual financial results, notices etc. are published in widely circulating national & local dailies newspaper Business Standard (in English and Hindi) editions. The same are also being posted on the website of Bombay Stock Exchange (BSE) www.bseindia.com under Scrip Code '514470'. The same are also available on Company's website i.e. www.winsometextile.com. The Management Discussion and Analysis report forms a part of this Annual Report.

17. GENERAL SHAREHOLDER INFORMATIONS

Annual General Meeting at 10:00 A.M. on Wednesday, the 28th day of September 2016 at Registered Office of Company: 1, Industrial Area, Baddi, Distt. Solan, Himachal Pradesh.

Financial Calendar : 01st April to 31st March

Date of Book Closure : 07.09.2016 to 09.09.2016 (both days inclusive)

Dividend Payment Date : N.A.

Listing on Stock Exchange : Bombay Stock Exchange Limited (BSE)

Scrip Code : 514470

Demat ISIN Number in NSDL & CDSL : INE837B01031

Corporate Identity Number (CIN) : L17115HP1980PLC005647

Annual listing fee for the year 2016-2017 has duly been paid to Bombay Stock Exchange(BSE). Listing fee to Calcutta Stock Exchange has not been paid as the Company had applied to this stock exchange on 11.12.2003 for voluntary delisting of shares as per the approval of shareholders and till date no objection has even been raised by the Calcutta Stock Exchange in this regard. The Company has also paid the Annual Custodial Fee to NSDL & CDSL for the year 2016-2017.

18. MARKET PRICE DATA – HIGH AND LOW DURING EACH MONTH ON BSE IN F.Y. 2015-16. STOCK CODE - 514470 (Source: www.bseindia.com)

Months	High	Low	Volume (No. of Shares)
April, 2015	38.90	31.00	652143
May, 2015	44.00	30.30	170456
June, 2015	41.20	31.25	14838
July, 2015	46.00	35.05	6199
August, 2015	66.50	33.20	84119
September, 2015	59.00	45.00	15740
October, 2015	76.80	45.00	62061
November, 2015	73.75	50.00	149222
December, 2015	75.80	58.00	308792
January, 2016	73.95	45.20	61284
February, 2016	52.00	31.10	62382
March, 2016	39.40	30.80	163944

19. PERFORMANCE IN COMPARISON TO BROAD BASED INDICES

20. REGISTRAR AND SHARE TRANSFER AGENT:

Link Intime India Pvt. Ltd.
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I,
Near PVR, New Delhi - 110028
Tele. No. 011-41410592-94, Fax No. 011-41410591
E-mail : delhi@linkintime.co.in,
sunil.mishra@linkintime.co.in

SHARE TRANSFER SYSTEM:

Shares lodged in physical form with the RTA directly or through Company, are processed and returned, duly transferred, within fifteen days normally, except in cases which are under objection.

In respect of shares held in dematerialised mode, the transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit/credit of the accounts involved.

COMPLIANCE OFFICER:

Shri Sourabh Gupta

E-MAIL ID'S:

cswtil@winsometextile.com
secretarial@winsometextile.com

21. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2016:-

Range of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
001 - 500	1134	85.26	144793	0.73
501 - 1000	89	6.69	71893	0.36
1001 - 2000	37	2.78	56895	0.29
2001 - 3000	10	0.75	25532	0.13
3001 - 4000	7	0.53	25205	0.13
4001 - 5000	7	0.53	31526	0.16
5001 - 10000	11	0.83	78096	0.39
10001 and above	35	2.63	19386060	97.81
Total	**1330**	**100.00**	**19820000**	**100.00**

22. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016 :-

Category	No. of shares	Percentage
Promoters/Promoter Group	6701461	33.81
FI's/FII's/ FIC	6450000	32.54
Bodies Corporates	4946311	24.96
Indian Public	1412711	7.13
Banks/ Mutual Funds	297660	1.50
NRIs & Trust	11857	0.06
Total	**19820000**	**100.00**

23. DETAILS OF SHAREHOLDING OF DIRECTORS IN THE COMPANY AS ON 31ST MARCH 2016:

Name of Director	No. of shares held
Shri Chandra Mohan	-
Shri Satish Girotra	250
Shri Ashish Bagrodia	49220
Shri Amrit Lal Batra	-
Smt. Neena Singh	-

24. DEMATERIALISATION OF SHARES AND LIQUIDITY:	99.83% of the shares issued by the Company have been dematerialized upto 31st March, 2016.
OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY SHARES:	N.A.
PLANT(S) LOCATION:	Plot No. 1, Industrial Area, Baddi Distt. - Solan, Himachal Pradesh -173205 Village Kaundi, Baddi Distt. - Solan, Himachal Pradesh -173205
ADDRESS FOR CORRESPONDENCE:	Company Secretary Winsome Textile Industries Limited SCO 191-192, Sector 34-A Chandigarh-160022 (U.T.) Ph. No. 0172-4612000, 4613000 Fax No. 0172-4646760
E-MAIL ID'S:	cswtil@winsometextile.com secretarial@winsometextile.com

Place : Chandigarh
Dated : 27.05.2016

By Order of the Board

Sd/
(ASHISH BAGRODIA)
CHAIRMAN & MANAGING DIRECTOR
DIN-00047021

DECLARATION ON CODE OF CONDUCT

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, it is hereby declared that all Board Members and Senior Managment Personnel have affirmed compliance with the Code of Conduct as adopted by the Company for the year ended 31st March 2016.

Place: Chandigarh
Date: 27.05.2016

Sd/
(ANIL SHARMA)
CHIEF EXECUTIVE OFFICER

CEO AND CFO CERTIFICATION

To

The Board of Directors
Winsome Textile Industries Ltd.

(a) We have reviewed the financial statements and the cash flow statement of Winsome Textile Industries Ltd. for the year ended 31st March, 2016 and to the best of our knowledge and belief, we state that;

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

(d) We have indicated to the Auditors and the Audit Committee:

(i) that there are no significant changes in internal control over financial reporting during the year;

(ii) that there are no significant changes in accounting policies during the year; and

(iii) that there are no instances of significant fraud of which we have become aware.

Yours sincerely,

Sd/
(ANIL SHARMA)
CHIEF EXECUTIVE OFFICER

Sd/
(SANJAY KEDIA)
CHIEF FINANCIAL OFFICER

Place: Chandigarh
Date: 27.05.2016

CERTIFICATE OF PRACTICING COMPANY SECRETARY ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS PER REGULATION E OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015.

To the Members of Winsome Textile Industries Limited

I have examined the compliance of the conditions of Corporate Governance by Winsome Textile Industries Limited, Baddi (H.P.) for the year ended March 31, 2016 as stipulated in Regulation E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My, examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Governance. It is neither an audit nor an expression of an opinion on the financial statements of the company.

In my opinion and to the best of our information and according to the explanations given to me, and the information given by the management, I certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned regulations.

I state that in respect of investor grievance received during the year ended March, 31, 2016, no investor grievances are pending against the Company, as per the records maintained by the Company and presented to the Investors/Shareholders Grievance Committee.

I further state that 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.

Place: Chandigarh
Date: 27.05.2016

Sd/
(RAMESH BHATIA)
PRACTICING COMPANY SECRETARY
FCS NO. 2483
CP NO. 1917

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WINSOME TEXTILE INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Winsome Textile Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment,

including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

Attention is drawn to:

(i) Note no. 27.3 regarding non-provisioning against Receivables amounting to Rs.1089.44 Lacs [from a erstwhile associate body corporate , whose net worth has been fully eroded], which is in the opinion of management is good and recoverable as stated in the said note and our inability to comment thereon.

We further report that the profit for the year, the balance in reserve & surplus and receivable are without considering item mentioned above, the effect of which could not be determined. Our opinion was also qualified on the financial statements for the year ended 31st March 2015 in respect of matter reported above.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31stMarch, 2016, and its profit and its cash flows for the year ended on that date.

1. Emphasis of Matter

Attention is drawn to:

(i) The company has not considered impairment testing of Fixed Assets of Hydro Power Project at Manuni, HP, which has been capitalized during the year w.e.f . 25th Sept 2015 but could not be put to use due to certain disputes with the HP State Electricity Board Limited (Gross block Rs. 3838.67 lacs) (WDV Rs. 3762.21 lacs). The matter is subjudice before the High Court of HP and in view of the management, no impairment testing, as per AS-28 is necessary as they are confident about earliest start of operation as well as recoverability of amount so far invested. (Note No. 27.4)

(ii) Balances of certain receivables, loans and advances, trade payables and other liabilities are subject to confirmation/reconciliation. (Note No. 27.8)

(iii) As per the past practice, Consumption of raw materials have been accounted for as balancing figure as assessed and estimated by the management. [Note No. 27.19(a)]

Our opinion is not modified in respect of matters stated above.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure 'A' a statement on the matters specified in the paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014.

(e) The matters described in the basis for qualified opinion paragraph above, in our opinion, may not have adverse effect on the functioning of the Company.

(f) On the basis of the written representations received from the directors as on 31stMarch, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on31stMarch, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) As required by section 143(3)(i) of the Companies Act, 2013, and based on the checking of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, our report on the Internal Financial Controls over Financial Reporting is as per Annexure 'B'.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer Note no. 27.1((A) (ii)) and 27.4 to the financial statements

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any; on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For LODHA & CO.,
Chartered Accountants
Firm's Registration No. 301051E

N.K. Lodha
Partner
Membership No.085155
Place: New Delhi
Date: 27/5/2016

ANNEXURE - A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF WINSOME TEXTILE INDUSTRIES LTD. FOR THE YEAR ENDED 31ST MARCH, 2016.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management according to the programme of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.

(c) As per the records and information and explanations given to us, title deeds of immovable properties are in the name of the Company.

2. The inventories of the Company (except stock in transit), have been physically verified by the management at reasonable intervals and the procedures of physical verification of inventory followed by the Management are reasonable {to be read with note no.27.19(a)(ii)) in relation to the size of the Company and nature of its business.The discrepancies noticed on such physical verification of inventory as compared to book records were not material.

3. According to the records and information and explanations made available to us, the Company has not granted any loans, secured or unsecured to companies, firms, LLP and other parties covered in the register maintained under section 189 of the Companies Act, 2013.

4. According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and security ; if any; the Company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013.

5. In According to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Section 73 to76 of the Act or any other relevant provisions of the Act and the rules framed there under. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other tribunal in this regard.

6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act in respect of the Company's products to which the said rules are

made applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

7. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund,, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax , entry tax, cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March, 2016.

(b) According to the records and information & explanations given to us, there are no dues in respect of income tax, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute and the dues in respect of income tax, sales tax, service tax, excise duty, value added tax, entry tax, cess and custom duty that have not been deposited with the appropriate authority on account of dispute and the forum where the dispute is pending are given below: -

NAME OF STATUTE	NATURE OF DUES	PERIOD	AMOUNT UNPAID (IN LACS RS.)	FORUM
Central Excise Act	Excise Duty	1995-96	1.44	Assistant Commissioner
Central Excise Act	Excise Duty	1998-01	1.83	CESTAT
Central Excise Act	Excise Duty	2000-01	1.74	CESTAT
Central Excise Act	Excise Duty	2004-05	0.35	Commissioner (Appeal)
Central Excise Act	Excise Duty	2005-06	21.33	CESTAT
Central Excise Act	Excise Duty	2008-09	1.32	Commissioner (Appeal)
HP Sales Tax Act	Entry Tax	2010-11 to 2014-15	400.38	The High Court of Shimla

8. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to financial institutions, banks, government (both State and Central). The company did not have any outstanding debentures during the year.

9. On the basis of information and explanations given to us, term loans have been applied for the purposes for which they were obtained. The company did not raise any money by way of initial / further public offer.

10. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of the audit.

11. On the basis of records and information and explanations made available and based on our examination of the records of the company, the company has paid/ provided managerial remuneration, in accordance with the requisite approvals mandated under Section 197 read with Schedule V of the Act (note no. 27.22 (3)(ii)).

12. The Company is not a chit fund or a nidhi /mutual benefit fund /society, therefore, the provisions of clause 4 (xii) of the said Order are not applicable to the Company, hence we are not offering any comment.

13. As per the information and explanations and records made available by the management of the Company and audit procedure performed, for the related parties transactions entered during the year, the Company has complied with the provisions of Section 177 and 188 of the Act, where applicable. As explained and as per records / details, the related parties transactions have been disclosed as per the applicable Accounting Standards.

14. According to the information and explanations given to us, the Company has not made any preferential allotment of shares or fully / partly convertible debentures during the year in terms of provisions of Section 42 of the Act.

15. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, as the provision of section is not applicable to the Company.

For LODHA & CO.
Chartered Accountants
Firm Registration Number: 301051E

N.K. Lodha
Partner
Membership No: 85155
Place: New Delhi
Date: 27/5/2016

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Winsome Textile Industries Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 its business, including adherence to 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI, deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, ***read with the matters described below under Emphasis of Matters and our comment in main report under the heading "Basis of Qualified Opinion"***, the Company has maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Emphasis of Matter

Attention is drawn to:

(i) Balances of certain receivables, loans and advances, trade payables and other liabilities are subject to confirmation/reconciliation.

(ii) As per the past practice, Consumption of raw materials have been accounted for as balancing figure as assessed and estimated by the management.

Our opinion is not modified in respect of matters stated above.

We have considered the weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the March 31st, 2016 financial statements of the Company, and these weaknesses do not affect our opinion on the 2016 financial statements of the Company.

For LODHA & CO.,

Chartered Accountants
Firm's Registration No. 301051E

N.K. Lodha

Partner
Membership No.085155
Place: New Delhi
Date: 27/5/2016

BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	Note No.	As at 31.03.2016 (Rs.in lacs)	As at 31.03.2015 (Rs.in lacs)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	**1982.00**	1982.00
(b) Reserves and Surplus	3	**13805.80**	11804.21
		15787.80	13786.21
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	**15190.89**	19324.29
(b) Deferred tax liabilities (Net)	5	**4226.63**	4232.43
(c) Other Long term liabilities	6	**33.88**	23.18
(d) Long term provisions	7	**78.82**	61.14
		19530.22	23641.04
(3) Current Liabilities			
(a) Short-term borrowings	8	**16698.39**	15570.84
(b) Trade payable	9	**15645.32**	15079.24
(c) Other current liabilities	10	**6821.98**	6214.71
(d) Short-term provisions	11	**376.03**	356.35
		39541.72	37221.14
TOTAL		**74859.74**	74648.39
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	**38154.96**	33583.64
(ii) Intangible assets		**-**	-
(iii) Capital work-in-progress		**340.59**	5785.37
(b) Non-current investments	13	**3.10**	3.10
(c) Long term loans and advances	14	**126.50**	210.43
		38625.15	39582.54
(2) Current assets			
(a) Inventories	15	**20816.54**	19365.41
(b) Trade receivables	16	**7869.97**	7173.16
(c) Cash & Bank Balances	17	**1481.31**	1560.56
(d) Short-term loans and advances	18	**4664.71**	4879.67
(e) Other current assets	19	**1402.06**	2087.05
		36234.59	35065.85
TOTAL		**74859.74**	74648.39
Significant Accounting Policies & explanatory notes are an integral part of the Financial Statements	1 & 27		

As per our report of even date.
For LODHA & CO.
Chartered Accountants
FRN : 301051E

N.K. Lodha
Partner
M. No. 85155

Place: Chandigarh
Date : 27.05.16

For and on behalf of
Winsome Textile Industries Ltd.

Ashish Bagrodia
Chairman Cum Managing Director
DIN-00047021

Anil Sharma
Chief Executive Officer

Sanjay Kedia
Chief Financial Officer

Sourabh Gupta
Company Secretary
FCS 5952

Directors: **Chandra Mohan** DIN - 00017621 **Satish Girotra** DIN - 01112511 **Amrit Lal Batra** DIN - 00399728

STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH 2016

PARTICULARS	Note No.	As at 31.03.2016 (Rs.in lacs)	As at 31.03.2015 (Rs.in lacs)
Net Revenue from operations	20	**65824.45**	64943.49
Less :- Excise Duty		**1.12**	2.16
		65823.33	64941.33
Other income	21	**176.25**	247.47
TOTAL REVENUE		**65999.58**	65188.80
Expenses:			
Cost of materials consumed	22	**29238.72**	31298.46
Purchase of Stock in trade		**9401.10**	7834.20
Change in inventories of finished goods, work-in-progress and Stock-in-trade	23	**(983.95)**	(1158.78)
Employee benefit expenses	24	**4827.58**	4142.48
Finance Cost	25	**6145.40**	6139.95
Depreciation and amortization expenses	12	**1978.97**	1772.27
Other expenses	26	**13134.43**	13055.30
TOTAL EXPENSES		**63742.25**	63083.88
PROFIT BEFORE TAX		**2,257.33**	2,104.92
Tax expense:			
- Current Tax		**487.26**	445.41
- MAT Credit		**(332.97)**	(445.41)
- Deferred Tax		**30.63**	812.44
- MAT Credit/Charged Earlier Year		**23.79**	(140.29)
- Tax for earlier Year		**-**	140.57
PROFIT(LOSS) AFTER TAX		**2,048.62**	1,292.20
Earning per equity share: (Refer Note No. 27.23)			
- Basic		**10.33**	6.52
- Diluted		**10.33**	6.52
Significant Accounting Policies & explanatory notes are an integral part of the Financial Statement	1 & 27		

As per our report of even date.
For LODHA & CO.
Chartered Accountants
FRN : 301051E

For and on behalf of
Winsome Textile Industries Ltd.

N.K. Lodha
Partner
M. No. 85155

Ashish Bagrodia
Chairman Cum Managing Director
DIN-00047021

Anil Sharma
Chief Executive Officer

Sanjay Kedia
Chief Financial Officer

Place: Chandigarh
Date : 27.05.16

Sourabh Gupta
Company Secretary
FCS 5952

Directors: **Chandra Mohan** DIN - 00017621 **Satish Girotra** DIN - 01112511 **Amrit Lal Batra** DIN - 00399728

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2016

	PARTICULARS	2015-16 (Rs.in lacs)	2015-16 (Rs.in lacs)	2014-15 (Rs.in lacs)	2014-15 (Rs.in lacs)
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	NET PROFIT/(LOSS) BEFORE TAX AND EXTRAORDINARY ITEMS		**2257.33**		2104.92
	Adjustment for:				
	Depreciation	**1978.97**		1772.27	
	Liability Written Back	**(5.45)**		-	
	Effect of Exchange Fluctuation	**(97.25)**		168.83	
	Profit on sale of Investment	**-**		-	
	Bad debt written off/Liabilites written back	**29.14**		12.72	
	Assets written off	**22.30**		-	
	Loss on sale of fixed assets (Net)	**66.88**		(0.78)	
	Leasehold land Written off	**-**		-	
	Interest paid	**6145.40**		6139.96	
	Dividend Received	**(0.31)**		(0.23)	
	Interest income	**(137.61)**	**8002.07**	(146.89)	7945.88
			10259.40		10050.80
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES				
	Adjustment for:				
	Trade & other receivable	**448.92**		2981.05	
	Inventories	**(1451.12)**		(84.30)	
	Trade & other Payables	**1091.16**	**88.96**	(892.85)	2003.90
	CASH GENERATED FROM OPERATIONS		**10348.36**		12054.70
	Direct Taxes Paid		**(558.25)**		(971.19)
	NET CASH FLOW FROM OPERATING ACTIVITIES		**9790.11**		11083.51
(B)	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of fixed assets	**(1320.39)**		(1855.56)	
	Capital Subsidy Received	**36.34**		107.91	
	Sale of fixed assets	**34.64**		241.70	
	Capital Advances	**119.45**		(33.18)	
	Dividend Received	**0.31**		0.23	
	Interest Received	**137.61**	**(992.04)**	146.89	(1392.01)
	NET CASH USED IN INVESTING ACTIVITIES		**(992.04)**		(1392.01)
(C)	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Interest paid	**(6158.67)**		(6185.58)	
	Repayment of Long Term Borrowings	**(3887.62)**		(4142.84)	
	Proceeds from Long Term Borrowings	**13.97**		40.40	
	Net proceeds from Short term Borrowings	**1155.00**	**(8877.32)**	312.34	(9975.68)
	NET CASH USED IN FINANCING ACTIVITIES		**(8877.32)**		(9975.68)
	Net Increase/(decrease) in cash and cash equivalents		**(79.25)**		(284.18)
	Cash & Cash Equivalents (opening balance)		**1560.56**		1844.74
	Cash & Cash Equivalents(Closing Balance)		**1481.31**		1560.56

As per our report of even date.
For LODHA & CO.
Chartered Accountants
FRN : 301051E

N.K. Lodha
Partner
M. No. 85155

Place : Chandigarh
Date : 27.05.16

Ashish Bagrodia
Chairman Cum Managing Director
DIN-00047021

Sourabh Gupta
Company Secretary
FCS 5952

For and on behalf of
Winsome Textile Industries Ltd.

Anil Sharma
Chief Executive Officer

Sanjay Kedia
Chief Financial Officer

Directors: **Chandra Mohan** DIN - 00017621 **Satish Girotra** DIN - 01112511 **Amrit Lal Batra** DIN - 00399728

NOTES FOR THE FINANCIAL STATEMENTS

NOTE 1:

SIGNIFICANT ACCOUNTING POLICIES:-

1.1 GENERAL

(i) The financial statements have been prepared under historical cost convention on accrual basis in compliance with applicable Accounting Standards as prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013.

1.2 REVENUE RECOGNITION

(i) Revenue represents the net invoice value of goods and services provided to third parties after deducting discounts, volume rebates, outgoing sales taxes and duties, and are recognized usually when all significant risks and rewards of ownership of the assets (goods) sold are transferred to the customer and the commodity has been delivered materially to the shipping agent.

(ii) Revenue from sale of by-products (goods) is included in revenue from operations.

1.3 VALUATION OF INVENTORIES

(i) Inventories are valued at lower of Cost and Net Realizable Value except for scrap and by products which are valued at net realizable value.

(ii) Cost of inventories of finished goods and work-in-process includes material cost, cost of conversion and other related overhead costs.

(iii) Cost of inventories of raw material, work-in-process and stores & spares is generally determined on weighted average cost method.

1.4 INVESTMENTS

Long Term Investments are stated at cost. Provision for diminution in long term investments is made only if such decline is other than temporary. Current investments are carried at lower of cost or market price.

1.5 FIXED ASSETS

Fixed assets are stated at cost of acquisition (net of cenvat credit) & are inclusive of freight,

duties, taxes and installation expenses less accumulated depreciation and impairment loss, if any.

1.6 DEPRECIATION/ AMORTISATION/ IMPAIREMENT LOSS

(a) Depreciation on fixed assets has been provided using Straight Line Method over their useful lives and in the manner prescribed under Schedule II of the Companies Act, 2013 (except leasehold land which is amortized over the period of lease).

(b) Continuous process plants as defined in Schedule II have been considered on the basis of technical evaluation and depreciated over the lives as prescribed under Schedule II

(c) Depreciation on addition/sale is provided on Pro-rata basis with reference to the month of addition / sale.

(d) In case, the recoverable amount of the fixed assets is lower than its carrying amount a provision for the impairment loss, depreciation on impaired assets is provided based on the reassessed balance life of the assets.

(e) Capital Expenditure on assets not owned are written off over the duration of contract or ten years, whichever is lower.

1.7 BORROWING COST

Interest and other costs in connection with the borrowing of the funds to the extent related / attributed for acquisition/ construction of qualifying fixed assets are capitalized till the date of intended commercial use of the assets. Other borrowing costs are charged to the Statement of Profit & Loss.

1.8 GOVERNMENT GRANTS

(i) Grants other than capital subsidy under TUFS relating to fixed assets are shown as deduction from the gross value of fixed assets and those of the nature of project subsidy are credited to Capital Reserves.

(ii) Other Government Grants including incentive are credited to statement of Profit & Loss or deducted from the related expenses.

(iii) Capital Subsidy under TUFS from the Ministry of Textiles on specified processing machinery is treated as deferred income which is recognized on systematic and rational basis in proportion of the applicable depreciation over the useful lives of the respective assets and is adjusted against the depreciation / credited to the Statement of Profit and Loss.

1.9 FOREIGN CURRENCY TRANSACTIONS

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate prevailing at the time of transaction. Monetary items denominated in foreign currencies and outstanding at the year-end are translated at year-end rates. Exchange difference arising on settlement of monetary items at rates different from those at which they were initially recorded are recognized as income or as expenses in the year in which they arise. In case of forward contracts, the exchange differences are dealt within the Statement of Profit & Loss over the period of the contracts.

1.10 EXPENDITURE DURING CONSTRUCTION PERIOD

Pre-operative project expenditure (net of income accrued) incurred upto the date of commercial production are capitalized and the same are allocated to the respective fixed assets on the completion of the construction period.

1.11 EMPLOYEE BENEFITS:

(I) Defined Contribution Plan

Employee benefits in the form of Provident Fund are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

(II) Defined Benefit Plan

Employee benefit in the form of Gratuity is funded every year under group policy of Life Insurance Corporation of India. Long Term compensated leaves are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

(III) Other short term absences are provided based on past experience of leave availed. Actuarial gain/losses, if any, are immediately recognised in the Statement of Profit and Loss.

1.12 TAXES ON INCOME

Provision for Income Tax for the period comprises of Current Tax and Deferred Tax. Provision for current tax has been made on the basis of estimated taxable income in accordance with the provisions of Income tax Act, 1961. Deferred Tax is recognised, subject to consideration of prudence, at the prevailing tax rates on timing differences between taxable and accounting income/ expenditure that originate in one period and are capable of reversal in one or more subsequent periods.

1.13 CONTINGENT LIABILITIES, CONTINGENT ASSETS & PROVISIONS

Contingent liabilities if material, are disclosed by way of notes, contingent assets are neither recognised nor disclosed in the financial statements. Provision is recognised when the company has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation.

1.14 RESEARCH AND DEVELOPMENT EXPENSES

Revenue Expenditure on Research and Development is charged to the Statement of Profit & Loss and Capital Expenditure is added to Fixed Assets.

NOTE 2: SHARE CAPITAL

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
AUTHORISED		
2,49,50,000 (P.Y. 2,49,50,000 Equity Shares of Rs. 10/- each) Equity Shares of Rs. 10/- each	**2495.00**	2495.00
5,000 (P.Y. 5000) Preference Share of Rs. 100/- each	**5.00**	5.00
	2500.00	2500.00
ISSUED,SUBSCRIBED & FULLY PAID UP		
1,98,20,000 (P.Y.: 1,98,20,000 Equity Shares of Rs. 10/- each) Equity Shares of Rs. 10/- each	**1982.00**	1982.00
	1982.00	1982.00

2.1 Rights & Restrictions of Shareholders:

2.1.1 The Company has only one class of Equity Shares having face value of Rs. 10/- each (Previous Year Rs. 10/- each) in its issued, subscribed and paid up Equity share capital. Each shareholder is entitled to one vote per share. Each shareholder have the right in profit/surplus in proportion to amount paid up with respect to share holder.

2.1.2. In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets, if any, in proportion to their individual shareholding in the paid up equity capital of the company.

3. Details of each shareholder holding more than 5% shares:

Name of shareholder	No. Of Shares Held as at 31.03.2016	No. Of Shares Held as at 31.03.2015
Bank of New York Mellon, DR (Shares held by Custodians and against which Depository Receipts have been issued)	**-**	4,266,875
Roselab Commodities Pvt Ltd.	**3,501,923**	3,501,923
Kailashpati Vinimay Pvt Ltd.	**3,005,031**	3,005,031
Landscape Traders Pvt Ltd.	**1,366,092**	1,366,092
Arpit Agencies Pvt Ltd.	**1,290,799**	1,290,799
Aspire Emerging Fund	**1,978,590**	1,825,000

4. Reconciliation of Equity Share Capital

Particulars	As at 31.03.2016 No. of Shares	As at 31.03.2015 No. of Shares
Shares Outstanding at the beginning of the year	**1,98,20,000**	1,98,20,000
Issued during the year	-	-
Buy Back during the year	-	-
Shares Outstanding at the end of the year	**1,98,20,000**	1,98,20,000

NOTE 3: RESERVES AND SURPLUS

(Rs. In Lacs)

Particulars		As at 31.03.2016		As at 31.03.2015
Capital Reserve				
As per last Balance Sheet	**46.68**		46.68	
Add: Addition during the year	**-**		-	
Less: Adjustments	**-**	**46.68**	-	46.68
Investment Allowance (Utilized) Reserve				
As per last Balance Sheet	**184.00**		184.00	
Add: Addition during the year	**-**		-	
Less: Adjustments	**-**	**184.00**	-	184.00
Securities Premium Reserve				
As per last Balance Sheet	**5131.46**		5131.46	
Add: Addition during the year	**-**		-	
Less: Adjustments	**-**	**5131.46**	-	5131.46
General Reserve				
As per last Balance Sheet	**2.04**		68.55	
Add: Addition during the year	**-**		-	
Less: Adjustments	**-**	**2.04**	66.51	2.04
Capital Subsidy Under Tuffs				
As per last Balance Sheet	**190.27**		92.25	
Add: Addition during the year	**36.34**		107.91	
Less: Transfer to Statement of Profit and Loss	**14.51**	**212.10**	9.89	190.27
Surplus in Statement of Profit & Loss from Previous Year	**6249.76**		4957.56	
Profit /(Loss) for the year	**2048.62**		1292.20	
Less: Adjustment *	**68.86**		-	
Surplus in Profit and Loss Statement carried to Balance Sheet		**8229.52**		6249.76
		13,805.80		11,804.21

* Adjusted Rs. 68.86 lacs pursuant to adoption of schedule II of the companies Act, 2013 towards WDV in respect of certain Fixed Assets (Net of Deferred Tax Rs. 36.44 Lacs) whose lives have expired on 31st March, 2015.

NOTE 4: LONG TERM BORROWINGS

(Rs. In Lacs)

Particulars	Non Current		Current	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Term Loan				
- From Banks	**15146.71**	19265.07	**3360.00**	3087.71
Vehicle Loans - From Banks	**44.18**	59.22	**26.69**	26.69
- From Others	**0.00**	0.00	**0.00**	12.54
	15,190.89	19,324.29	**3,386.69**	3,126.94
Less : Current maturities of long term, borrowings (Disclosed under Other Current Liabilities under Note No. 10)	**-**	-	**3386.69**	3126.94
	15,190.89	19,324.29	**0.00**	0.00

Notes:

1. Term Loans from Banks of Rs. 18506.71 Lacs (P.Y. Rs. 22352.78 Lacs) are secured by Joint Equitable Mortgage by deposit of title deeds on company's immovable properties(present and future) which shall be on first charge basis, shall rank pari-passu with all banks and a charge by way of hypothecation of all movable fixed assets subject to prior charge on specified equipments to banks for term loan. Above Term loans are further secured by pari-passu second charge on entire current(present and future) assets of the company. The loan is repayable in quarterly installments and maturity profile is as follows:

Repayment	0 – 1 years	1 – 2 years	2 – 3 years	After 3 Years
(in lacs)	3360.00	4175.76	4057.68	6913.27

2. Vehicle Finance carrying interest of Rs. 70.87 Lacs (P.Y. 98.45Lacs) which is secured by hypothecation of specific assets purchased under such arrangements and is repayable in equated monthly installments and maturity profile is as follows:

Repayment	0 – 1 years	1 – 2 years	2 – 3 years	After 3 Years
(in lacs)	26.69	24.25	18.98	0.95

3. The aforesaid credit facilities mentioned above in point no. 1 are also guaranteed by Chairman cum Managing Director and also by relatives of C.M.D. for certain credit facilities .

NOTE 5: DEFERRED TAX

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Deferred Tax Liability		
Depreciation Adjustment	**4,512.35**	5,435.81
Deferred Tax Assets		
Unabsorbed Depreciation	**0.00**	1,003.21
Other items	**285.72**	200.17
	285.72	1,203.38
Deferred Tax Liability (Net)	**4,226.63**	4,232.43

NOTE 6: OTHER LONG TERM LIABILITIES

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Employees Advances	**33.88**	23.18
	33.88	23.18

NOTE 7: LONG TERM PROVISIONS

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Provision for Employee Benefits	**78.82**	61.14
	78.82	61.14

NOTE 8: SHORT TERM BORROWINGS

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Working Capital Demand loan from banks	**3862.53**	3807.36
Cash Credit	**4455.21**	3557.14
Packing Credit	**8380.65**	8206.34
	16,698.39	15,570.84

1. Working Capital Demand loans from banks, Cash Credit and Packing Credit are secured by First Charge by Hypothecation of Raw Materials, Stock in Process, Finished Goods, Consumable Store and Spares, Goods in Transit, Book Debts and by Second Charge on entire Fixed Assets of the Company on Pari-passu basis with Working Capital lenders.

2. The aforesaid credit facilities mentioned above is also secured by guarantee given by Chairman and Managing Director and also by a relative of C.M.D for certain credit facilities.

NOTE 9: TRADE PAYABLES

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Acceptances	**11868.40**	11898.18
Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note No. 27.13)	-	-
Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	**3776.92**	3181.06
	15,645.32	15,079.24

NOTE 10: OTHER CURRENT LIABILITIES

(Rs. In Lacs)

Particulars	As at 31.03.2016		As at 31.03.2015	
Current Maturities of long term borrowings		**3386.69**		3126.94
Interest accrued but not due on borrowings		**3.87**		17.14
Advance from customers		**204.36**		198.82
Unclaimed dividends*		**0.45**		0.55
Others Payables				
- Capital Payables (Refer Note No. 27.13)	**82.15**		53.40	
- Statutory Dues	**581.62**		499.89	
- Other Liability (Refer Note No.27.13)	**2562.84**	**3226.61**	2317.97	2871.26
		6,821.98		6,214.71

* Shall be credited to Investor's Education and Protection Fund when due.

NOTE 11: SHORT TERM PROVISIONS

(Rs. In Lacs)

Particulars	As at 31.03.2016		As at 31.03.2015	
Employees Benefits		**376.03**		298.65
Others				
- Provision for Taxation				
(Net of Advance payment of Taxes)	-	**0.00**	57.70	57.70
		376.03		356.35

NOTE 12: FIXED ASSETS

(Rs. In Lacs)

Particulars	GROSS CARRYING VALUE				DEPRECIATION				NET CARRYING VALUE	
	As at 31.03.2015	Additions/ Adjustments	Sales/ Adjustments	As at 31.03.2016	Upto 31.03.2015	For the Year (Note No.1)	Sales/ Adjustments	Upto 31.03.2016	As at 31.03.2016	As at 31.03.2015
(I) Tangible Assets										
Land - Freehold & Site Development	1743.15	65.29	0.00	**1808.44**	0.00	0.00	0.00	**0.00**	**1808.44**	1743.15
- Leasehold	5.67	0.00	0.08	**5.59**	0.00	0.00	0.00	**0.00**	**5.59**	5.67
Buildings *	6318.19	4811.56	0.00	**11129.75**	1279.11	301.46	0.00	**1580.57**	**9549.18**	5039.08
Plant & Equipments **	38636.11	1861.74	555.55	**39942.30**	12247.66	1709.93	438.15	**13519.44**	**26422.86**	26388.45
Furnitue and Fixtures	238.99	24.96	31.83	**232.12**	119.03	18.61	31.07	**106.57**	**125.55**	119.96
Vehicles #	301.43	9.51	12.93	**298.01**	120.03	36.93	10.45	**146.51**	**151.50**	181.40
Office Equipments	99.20	8.72	21.17	**86.75**	72.58	8.13	20.17	**60.54**	**26.21**	26.61
Computers & Networks	209.84	12.14	42.11	**179.87**	130.53	23.72	40.01	**114.24**	**65.63**	79.32
Total	47552.58	6793.92	663.67	**53682.83**	13968.94	2098.78	539.85	**15527.87**	**38154.96**	33583.64
Previous Year	47155.58	662.60	265.60	47552.58	12110.71	1882.91	24.68	13968.94	33583.64	35044.87

Note :

1. (a) Pursuant to adoption of useful lives of fixed assets as per Schedule II of the Companies Act, 2013 in compliance with Notification No. GSR 627(E) dated 29.08.2014 during the current year, the useful lives have been assessed by company it has accordingly componentized its fixed assets and has seperately assessed the life of major components forming part of main assets. Consequently, the depreciation for the year is higher by Rs. 146.68 lacs. After retaining residual value, the carrying amount of Rs.68.86 lacs of certain fixed assets ((Net of Deferred Tax Rs. 36.44 Lacs)), whose lives have expired as at previous year end, has been charged to Retained Earnings.

1. (b) Depreciation for the year is net of Rs. 14.51 lacs (Previous Year Rs. 9.89 Lacs) transferred from Reserves of Capital Subsidy under TUFFS.

* Building includes capital expenditure incurred on assets not owned by the company Rs.8.90 lacs (Previous Year Rs. 8.90 lacs) and net Rs. 3.49 Lacs (Previous Year Rs.4.31 lacs).

** During the year an amount of Rs.13.53 lacs has been received from Himachal Pradesh Electricity Board toward 66 KV transmission line capitalised during the financial year 2013-14, which is adjusted from the cost of respective Assets.

\# Vehicle includes assets of Rs.111.20 lacs (Previous Year Rs.195.02 lacs) acquired under Hire Purchase Finance.

NOTE 13: NON CURRENT INVESTMENTS

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Other Investment		
Unquoted		
31000 Equity Shares of Rs. 10/- each in Shivalik solid waste management Ltd.	**3.10**	3.10
(Previous year 31000 Equity Shares of Rs. 10/- each)		
	3.10	3.10
Aggregate amount of unquoted investment	**3.10**	3.10

NOTE 14: LONG TERM LOANS & ADVANCES (Refer Note No. 27.15)

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Unsecured considered Good:		
Capital Advances	**22.73**	142.18
Deposits with Government Authorities & others	**87.32**	61.18
Others	**16.45**	7.07
	126.50	210.43

NOTE 15: INVENTORIES

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
As taken, valued and certified by the management (At lower of Cost and Net Realisable value)		
Raw Materials	**9429.74**	8838.53
Stock in Process	**4666.24**	4746.36
Stores & Spares	**938.02**	1123.98
Finished Goods (Including GIT amounting Rs. 853.27 Lacs (P.Y: 967.78Lacs)	**5664.50**	4600.44
Waste (At net realizable value) {Including scrap of Rs. 2.72 Lacs (Previous year Rs. 3.41 lacs)}	**118.04**	56.10
	20,816.54	19,365.41

NOTE 16: TRADE RECEIVABLES (Refer Note No. 27.15)

(Rs. In Lacs)

Particulars		As at 31.03.2016		As at 31.03.2015
(Unsecured, considered good, unless otherwise stated)				
Exceeding six months from due date				
- Good	**79.29**		114.13	
- Doubtful	-	**79.29**	-	114.13
Other Debts		**7790.68**		7059.03
		7,869.97		7,173.16

NOTE 17: CASH & BANK BALANCES

(Rs. In Lacs)

Particularss		As at 31.03.2016		As at 31.03.2016
Cash & Cash Equivalents				
- Cash on hand (As certified by management)				
Balances with Bank		-		-
- on Current Accounts				
		89.70		143.75
Earmarked balances				
- on Unclaimed Dividend Account	**0.45**	**0.45**	0.55	0.55
Other Bank Balances				
- on Fixed Deposit $*	**1391.16**	**1391.16**	1416.26	1416.26
		1,481.31		1,560.56

* Margin Money against L/C's and Bank Guarantee

$ Includes FDR's maturity of more than 12 months Rs. Nil (P.Y. Rs. Nil)

NOTE 18: SHORT TERM LOANS AND ADVANCES (Considered Good) (Unsecured, unless otherwise stated)

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.15
Advances to suppliers	**1543.45**	2082.01
Refund/ Claim Receivable	**140.97**	181.84
Balance with Excise and Sales tax Authorities	**266.34**	255.98
MAT Credit Entitlements (Refer no. 27.24)	**2290.67**	1981.48
Income Tax Advance Payments (Net of Provision of Income Tax)	**13.28**	0.00
Others	**410.00**	378.36
	4,664.71	4,879.67

NOTE 19: OTHER CURRENT ASSETS

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.15
Interest Receivable	**10.72**	84.00
Export Incentives Receivables	**379.14**	1137.61
Interest Subsidy on Term Loans Receivable	**1012.20**	865.44
	1,402.06	2,087.05

NOTE 20: REVENUE FROM OPERATION

(Rs. In Lacs)

Particulars	As at 31.03.2016		As at 31.03.2015	
Sale of Products				
- Yarn#	**49767.94**		51356.42	
- Others	**5127.00**		3731.33	
- Trading Sale	**9645.88**	**64540.82**	8097.64	63185.39
Sale of Services				
- Processing Income		**12.19**		0.61
Other operating revenues:				
- Waste & Scrap Sales	**1254.07**		1757.01	
- Insurance Claim	**17.38**		0.48	
- Pro-rata Capital Subsidy	-	**1271.45**	0.00	1757.49
# including Export Incentives of Rs. 1164.13 Lacs (P.Y. 1165.66 lacs)		**65,824.45**		64,943.49

NOTE 21: OTHER INCOME

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Interest Income	**137.61**	146.89
Liabilities Written back	**5.45**	0.00
Exchange Rate Variation Gain	**23.21**	88.91
Miscellaneous Income	**8.99**	9.57
Profit/(Loss) on sale of Assets (Net)	-	0.78
Rent Received	**0.99**	1.32
	176.25	247.47

NOTE 22: COST OF MATERIAL CONSUMED

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Raw Material	**28221.56**	30377.50
Packing Material	**1017.16**	920.96
	29,238.72	31,298.46

NOTE 23: CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Closing Stock		
Finished Goods	**5664.50**	4600.45
Work in progress	**4666.26**	4746.36
(A)	**10330.76**	9346.81
Opening Stock		
Finished Goods	**4600.45**	4397.26
Work in progress	**4746.36**	3790.77
(B)	**9346.81**	8188.03
(Increase)/Decrease in Stocks (A-B)	**(983.95)**	(1,158.78)

NOTE 24: EMPLOYEE BENEFIT EXPENSES

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Salaries, Wages & Other allowances	**4402.72**	3792.96
Contribution to Provident and other Funds	**408.33**	322.20
Employees' Welfare and other Benefits	**16.53**	27.32
	4,827.58	4,142.48

NOTE 25: FINANCE COST

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Interest Expenses	**3441.31**	3861.84
(Net of reimbursement under TUFF Rs. 859.92 Lacs (Previous year Rs.1008.70 lacs))		
Interest-Others	**413.89**	336.51
Other Borrowing Cost	**2290.20**	1941.60
	6,145.40	6,139.95

NOTE 26: OTHER EXPENSES

(Rs. In Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
Conversion Charges	**34.01**	33.09
Consumption of Stores and spares	**4019.59**	3964.05
Power and Fuel	**5201.49**	5397.44
Rent	**57.38**	58.12
Repairs to Buildings	**2.12**	25.24
Repairs to Machinery	**68.40**	62.28
Insurance	**89.67**	91.54
Rates & Taxes	**76.10**	85.33
Freight & Handling Charges	**1083.30**	1141.50
Advertisement and sales promotion	**2.29**	7.07
Directors Fee	**1.40**	1.25
Commission	**832.09**	842.64
Bad Debts	**34.59**	12.31
Expenses of CSR Actitives	**46.83**	17.96
Bank Charges	**146.12**	126.28
Exchange Loss/(Gain)	-	-
Profit/(Loss) on sale of Assets (Net)	**66.88**	-
Printing & Stationery, Postage, Telephone, Traveling, and other Miscellaneous Expenses	**1372.17**	1189.20
	13,134.43	13,055.30

27. NOTES TO ACCOUNTS

27.1. (A). Contingent Liabilities, not provided for in respect of (as certified by the management):

(Rs. in Lacs)

Particulars	2015-16	2014-15
(i) Bills discounted with banks	**3143.21**	2736.35
(ii) Excise / Service Tax Matters	**31.23**	83.34
(iii) Outstanding Bank Guarantees	**689.81**	612.16
(iv) Claims against company not accepted	**8.65**	--

(v) Custom duty saved of Rs. 116.41 Lacs (Previous year Rs. 648.06 Lacs) for import of capital good made under EPCG scheme against which export obligations amounting to Rs. 698.49 Lacs (Previous year Rs. 3964.34 Lacs) is pending.

(B). In respect of certain disallowances and additions made by Income Tax Authorities, appeals are pending before the Appellate authorities and adjustment if any, will be made after the same are finally determined.

Considering the past experience, management is of the view that there will not be any material impact on accounts on settlement/finalization of tax assessment.

27.2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 155.13 Lacs (Previous year Rs. 865.50 Lacs) {(net of advances Rs. 22.73 Lacs) (Previous year Rs. 142.18 Lacs)}.

27.3 Trade receivable includes Rs. 1089.44 lacs(Previous Year Rs. 1089.44 lacs) is recoverable from a body corporate (erstwhile associate company) whose net worth as per the audited accounts as at 30th Sept 2014 became negative and balance is subject to confirmation and who has filed application before Board for Financial Industrial Reconstruction (BIFR) for rehabilitation. The management is confident about full recovery, hence no provision there against considered necessary.

27.4 During the year the Company has completed construction of a Hydro Electric project (3.5 MW Power project) at Manuni, Himachal Pradesh and capitalised w.e.f. 25th Sept 2015. However, project is ready to use but could not be started pending required approvals from government/ authorities, as the company has filed a writ petition before the Hon'ble Himachal Pradesh High Court at Shimla challenging levy of certain charges and additional free supply of power under "supplementary implementation agreement", pending for execution by the

company with the Government of Himachal Pradesh for the said power project. On Company's application, Hon'ble High Court has granted interim stay on 11th Sept' 2013 and currently the matter is sub-judice. Pending litigation amount payable; if any, cannot be estimated at this stage. Management is confident that there will not be any material impact of above on final settlement/decision.

The management is of the view that considering the long term capital investment , future cash flows and benefits associated with the project and expected early settlement of dispute with the government/authorities there is no impairment as this stage.

27.5 The company has filed an application for the rebate claim which is disputed and pending at the office of the Joint Secretary, New Delhi under export promotion scheme of Rs.27.76 Lacs.(Previous Year Rs. 27.76 Lacs). In the opinion of the management , these claims are good and fully recoverable , hence no provision their against is considered necessary.

27.6 Prior period adjustment (net) Rs.10.41 Lacs (Previous year Rs. 8.99 Lacs) include ECGC charges Rs. 5.32 Lacs , Fees & Subscription Rs 3.57 Lacs (Previous year Rs. 0.77 Lac), Legal and Professional fees Rs. 0.18 Lac (Previous year Rs. 1.03 Lacs), Repair to Computers Rs. 0.07 Lac, Telephone expenses Rs. 0.53 Lac, Traveling Expenses Rs.0.10 Lac, Water Charges Rs 0.13 Lac (Previous year Rs. 0.27 Lac), Interest on working capital Rs. 0.51 Lac, Testing charges - Rs. NIL (Previous year Rs 0.62 Lac), Repair to building & Machinery Rs. NIL (Previous year Rs 1.17 Lacs) Recruitment Expenses Rs. NIL (Previous year Rs 0.60 Lac), Brokerage - Rs. NIL, (Previous Year Rs. 1.80 Lacs) and ERP support Charges Rs. NIL (Previous Year Rs. 2.73 Lacs).

27.7 The company has taken legal and other persuasive actions for recovery of certain overdue Trade Receivables amounting to Rs. 35.44 Lacs (previous year Rs. 66.27 Lacs). In the opinion of the management, these outstanding are good and fully recoverable, hence no provision there against is considered necessary.

27.8 Balance of certain receivables (read with note no. 27.3), loans and advances (including capital advance), trade payables (read with Note no. 27.13)and other liabilities are in the process of confirmation / reconciliation.

27.9 In accordance with the Accounting Standards (AS-28) on "Impairment of Assets" during the year the company has assessed useful life of fixed assets in use and is of the view that no impairment is considered to be necessary in view of its expected realizable value/value in use.

27.10 Pursuant to adoption of useful lives of fixed assets as per Schedule II of the Companies Act, 2013 in compliance with Notification No. GSR 627(E) dated 29.08.2014 during the current year, the useful lives have been assessed by management and accordingly, depreciation for the year is higher by Rs. 146.68 lacs. After retaining residual value, the carrying amount of Rs.68.86 lacs of certain fixed assets(Net of deferred tax amounting to Rs. 36.44 lacs), whose lives have expired as at previous year end, has been charged to Retained earnings.

27.11 Since it is not possible to ascertain with reasonable certainty/ accuracy the amount of accrual in respect of certain insurance and other claims, the same are continued to be accounted for on settlement/ acceptance basis.

27.12 Capital work in progress including civil work under construction, electric Installation and fittings, Machinery under installation/erection and following pre-operative expenditure pending allocation/capitalization :

(Rs.in lacs)

Particulars	2015-16	2014-15
Opening Balance	**1060.30**	939.34
Raw material consumed	-	-
Stores & Spares consumed	-	-
Power and Fuel	-	0.72
Salary, Wages & Allowances	-	24.81
Insurance	-	1.97
Interest (Net of subsidy)	-	62.23
Other Borrowing Costs (Include Loan processing fees, etc.)	-	0.34
Miscellaneous and other expenses	**17.91**	30.89
Total	**1078.21**	1060.30
Less: Trial Run Sales	-	-
Less: Scrap Sales	-	-
Less: Trial Run Stock	-	-
Less: Allocated/Appropriated	**1048.46**	-
Closing balance	**29.75**	1060.30

27.13 The Company has not received full information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid as at year end together with interest paid /payable have been given based on the information so for available with the company/ identified by the company management. As required by section 22 of the above said Act the following information is disclosed:-

Sr.	Particulars	2015-16	2014-15
a)	(i) Principal amount remaining unpaid at the end of the accounting year		
	(ii) Interest due on above	-	-
b)	The amount of interest paid by the buyer alongwith amount of payment made to the supplier beyond the appointed date.	-	-
c)	The amount of interest accrued and remaining unpaid at the end of financial year	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under this act.	-	-
e)	The amount of further interest due and payable in succeeding year, until such interest is fully paid.	-	-

27.14 As per the past practice exchange fluctuation on loan/ liability for acquisition of capital assets continue to be charged to the Statement of Profit & Loss.

27.15 In the opinion of the Board, the Current Assets, Loans and Advances appearing in the Company's Balance Sheet as at year end would have a value on realization in the normal course of business at least equal to the respective amounts at which they are stated in the Balance Sheet.

27.16 Employees Benefits:

Defined Benefit Plan:

The employee gratuity fund is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

I. Amount to be recognized in the balance sheet. **(Rs. in Lacs)**

Particulars	Gratuity (Funded)		Leave Encashment (Un funded)	
	2015-16	2014-15	2015-16	2014-15
I. Amount to be recognised in the balance sheet				
Present Value of Obligation as at 31st March 2016	**436.64**	368.60	**93.20**	78.07
Fair value of plan assets as at 31st March 2016	**74.99**	86.89	--	--
Funded Status [surplus/(Deficit)]	**(361.65)**	(281.71)	**(93.20)**	(78.07)
Net Assets/(Liability) Recognized in Balance Sheet	**(361.65)**	(281.71)	**(93.20)**	(78.07)
II. Expenses recognized during the period				
Current Service Cost	**71.38**	61.64	**50.85**	42.10
Interest Cost	**29.49**	25.47	**6.24**	5.42
Expected Return on Plan Assets	**(6.35)**	(5.94)	-	-
Actuarial (gain)/ loss	**3.42**	(23.54)	**33.94**	22.86
Net Expenses Recognized	**97.94**	57.63	**91.03**	70.38
III. Reconciliation of opening and closing balance of Defined Benefit Obligation				
Present Value of Obligation at the beginning of the period	**368.60**	318.48	**78.07**	67.77
Current Service Cost	**71.38**	61.64	**50.85**	42.10
Interest Cost	**29.49**	25.47	**6.24**	5.42
Actuarial (gain)/ loss on obligations	**0.54**	(26.38)	**33.94**	22.86
Benefit Paid	**(33.37)**	(10.61)	**(75.90)**	(60.08)
Present Value of Obligation as at the end of the period	**436.64**	368.60	**93.20**	78.07
IV. Reconciliation of opening and closing balance of fair value of plan asset				
Fair value of plan assets at the beginning of the period	**86.89**	65.05	-	-
Expected Return on Plan Assets	**6.35**	5.94	-	-
Contributions	**18.00**	29.35	-	-

Actuarial gain/ (loss) on Plan Assets	**(2.88)**	(2.84)	-	-
Benefit Paid	**(33.37)**	(10.61)	-	-
Fair value of plan assets at the end of the period	**74.99**	86.89	-	-
V. Reconciliation of opening and closing balance of fair value of plan assets				
Fair value of plan assets at the beginning of the period	**86.89**	65.05	-	-
Actual Return on Plan Assets	**3.47**	3.10	-	-
Contributions	**18.00**	29.35	-	-
Benefit Paid	**(33.37)**	(10.61)	-	-
Fair value of plan assets at the end of the period	**74.99**	86.89	-	-
Funded Status	**361.65**	281.71	-	-
VI. Investment Detail				
All Investments are made with through LIC.				
Actuarial/Demographic assumptions:	**2015-16**	**2014-15**	**2015-16**	**2014-15**
Indian Assure Lives Mortality Table (LIC)	**2006-08**	2006-08	**2006-08**	2006-08
Discount rate (Per annum)	**8.00%**	8.00%	**8.00%**	8.00%
Expected Return on Plan Assets (Per annum)	**8.00%**	8.00%	**8.00%**	8.00%
Estimated rate of increase in compensation level	**5.00%**	5.00%	**5.00%**	5.00%
Retirement Age	58 Years			
Withdrawal Rate (All Ages)	10.00%			
Disability	No explicit allowance			
Avg. accumulated leave per employee(in days)	**8**	7	**8**	7

(i) Contribution to defined contribution plan, recognized as expenses during the year is Rs. 225.33 Lacs (P.Y. Rs. 191.01 Lacs) & as transferred to Capital Work-in-progress is Rs. Nil Lacs (P.Y. Rs. Nil Lacs).

(ii) The estimate rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(iii) The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

(iv) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of assets management, historical results of return on plan assets and the policy for plan assets management.

27.17 Research and Development expenditure amounting to Rs. 72.03 Lacs (Previous year Rs. 67.83 Lacs) have been charged to Statement of Profit and Loss in respective heads of the accounts (As certified by the management).

27.18

(a) Auditors Remuneration (Excluding Service Tax) **(Rs. In Lacs)**

Particulars	2015-16	2014-15
Audit Fee	**4.10**	4.10
Tax Audit Fee	**0.35**	0.35
Other Services	**0.50**	NIL
Certification Fees	**1.31**	1.02
Reimbursement of expenses	**2.33**	1.71

(b)

Particulars	2015-16	2014-15
Cost Audit Fee	**0.70**	0.62

(c)

Particulars	2015-16	2014-15
Secretarial audit fee	**0.55**	0.50

27.19 (a) i) As per the past practice , consumption of raw material and stores and spares is derived as net of opening stock plus purchases less closing stock , as certain item-wise records are in process of updation.

ii) in view of para (i)above , closing inventories of stock in process and finished goods have been considered as taken , valued and certified by the management after providing against old / non moving inventories; if any, as assessed / estimated by the management.

(b) Profit /Loss on sale of stores and raw materials remains adjusted in their respective consumption accounts.

27.20 Segment Reporting

(i) The company has only one business segment namely Textile (Yarn, Fabric and allied activities).

(i) The segment revenue in geographical segments considered for disclosure is as follow:

(a) Revenue inside India includes sales to customers located within India.

(b) Revenue outside India includes sales to customers located outside India.

Information about geographical segments (by location of customers) :

(Rs. In lacs)

Particulars		India	Outside India	Total
(i)	External Revenue-Sales	40594.83	25229.62	**65824.45**
	Less: Excise duty	1.12	-	**1.12**
	External Revenue - Sales (Net)	40593.71	25229.62	**65823.33**
		(42737.47)	(22203.86)	**(64941.33)**
(ii)	Carrying amount of segment assets by location of assets	73679.68	1180.06	**74859.74**
		(73640.38)	(1008.01)	**(74648.39)**
(iii)	Capital Expenditure	1271.89	77.25	**1349.14**
		(1856.46)	NIL	**(1856.46)**

27.21 As estimated and assessed by the management, certain tax allowances / deductions have been considered and accordingly Net Deferred Tax Liability of Rs. 30.63 Lacs (Previous Year Rs. 812.44 Lacs Net Deferred Tax Liability) have been accounted for the year.

27.22 Related party disclosures

List of "Related parties & Relationship disclosures" are given below: (as identified by the management)

1. Key management personnel and their relatives.

- Shri Ashish Bagrodia	Chairman Cum Managing Director
- Shri Anil Sharma	Chief Executive Officer^
- Shri Sanjay Kedia	Chief Financial Officer^
- Shri Sourabh Gupta	Company Secretary^
- Shri Satish Bagrodia	Advisor (Father of Shri Ashish Bagrodia (KMP))

^ Pursuant to the Companies Act, 2013

2. Enterprise where Key Management Personnel & their relative have significant influence

- Star point Financial Services (Pvt.) Ltd.
- Winsome Yarns Limited (Associates till 20th September, 2014)

3. Transactions with the Related Parties :-

(i) **(Rs. In lacs)**

Particulars	2015-16	2014-15
Winsome Yarns Ltd.		
Expenses reimbursed to	**0.38**	9.64
Expenses reimbursed by	**2.20**	2.19
Trade Receivable - at year end	**1089.44**	1089.44
Balance Receivable – at year end	**1.32**	-
Balance Payable- at year end	-	9.49
Starpoint Financial Services (P) Ltd		
- Rent Paid	**29.10**	24.96
Shri Satish Bagrodia		
- Salary Paid	**43.00**	34.65*

* Includes Rs. 5 lacs salary as an advisor w.e.f 1st March 2015, and Rs. 29.65 lacs remuneration (including commission) in the capacity of Chairman cum Whole time Director upto 20th September, 2014

(ii) Remuneration to Shri Ashish Bagrodia (Chairman Cum Managing Director) Rs. 86.63 Lacs (P.Y Rs. 65.11 Lacs including commission).

Remuneration to Shri Anil Sharma (Chief Executive Officer) Rs. 60.76Lacs(P.Y Rs 39.34 lacs), Shri Sanjay Kedia (Chief Financial Officer) Rs. 28.30 Lacs (P.Y Rs. 18.89 lacs) , Shri Sourabh Gupta (Company Secretary) Rs. 11.74 Lacs (P.Y Rs. 10.23 lacs).

27.23 Earning Per Share

Basis for calculation of basic and diluted earning per share is as under:

(A) BASIC / DILUTED EARNING PER SHARE

(Rs. In Lacs)

Particulars	2015-16	2014-15
Net Profit attributable to Equity Shareholders (Rs. in lacs)	**2048.62**	1292.20
Weighted average number of equity shares (in nos.)	**1,98,20,000**	1,98,20,000
Nominal Value per equity share (Rs.)	**10.00**	10.00
Basic EPS (Rs.)	**10.33**	6.52
Diluted EPS (Rs.)	**10.33**	6.52

27.24. Based upon Future plans, expected sales and profitability as assessed by the management in near future (in next twelve months) which will enable company to utilise MAT credit entitlement of Rs. 2290.67 Lacs (Previous Year Rs. 1981.48 Lacs)and accordingly the same is shown under “Short Term Loans & Advances”.

27.25. The company has given interest free loan/ advances in the nature of loan, to employees, in the ordinary course of its business. No loan/ advances in the nature of loans have been given to employees/ others for the purpose of investment in securities of the company.

27.26(a) Raw Material & Packing Material Consumed **(Rs. In Lacs)**

Particulars	2015-16	2014-15
Cotton	**24652.25**	28565.10
Packing Material	**1017.16**	920.96
Others	**3569.31**	1812.40
Total	**29238.72**	31298.46

(b) Total Value of Raw Materials (includes packing material) and Stores & Spares consumed (as Certified by the management): **(Rs. in Lacs)**

Particulars	Raw Material				Stores & Spares			
	2015-16	%	2014-15	%	2015-16	%	2014-15	%
Imported	**315.08**	**1.08**	263.52	0.84	**217.54**	**5.41**	88.35	2.23
Indigenous	**28923.64**	**98.92**	31034.94	99.16	**3802.05**	**94.59**	3875.70	97.77
Total	**29238.72**	**100.00**	31298.46	100.00	**4019.59**	**100.00**	3964.05	100.00

(c) Detail of Work in Progress (as certified by the management):– **(Rs. in Lacs)**

Particulars	2015-16 Amount	2014-15 Amount
Fleece	**2146.65**	2057.7
Roving	**1084.77**	1096.83
Yarn	**1434.82**	1591.82
Total	**4666.24**	4746.36

(d) Detail of Traded Goods * **(Rs. in Lacs)**

Particulars	2015-16		2014-15	
	Purchase	Sales	Purchase	Sales
Yarn/Fabric	**9401.10**	**9645.89**	7834.20	8097.64
Total	**9401.10**	**9645.89**	7834.20	8097.64

* Opening stock and closing stock Nil (Previous Year Nil)

(e) Imports at CIF Value (as certified by the management) : **(Rs. in Lacs)**

Particulars	2015-16	2014-15
Raw Material	**450.77**	186.17
Capital goods	**113.51**	107.83
Spare Parts & Components	**186.54**	129.36
Total	**750.82**	423.36
Earnings in Foreign Exchange Exports of goods on FOB basis (excluding export through export houses & EOU)	**22126.37**	19226.61

(f) Expenditure in Foreign currency (as certified by the management) **(Rs. in Lacs)**

Particulars	2015-16	2014-15
Travelling Expenses	**113.03**	33.35
Commission and other expenses	**239.92**	213.16
Bank Charges	**-**	-
Interest paid	**257.91**	234.98

27.27

(A) The Foreign Currency exposure that are not hedged by derivative instruments or otherwise are as follow (As certified by Management).

(Rs. in Lacs)

Particulars	Document Currency	Amount in Document Currency		Amount Rs. In Lacs	
		2015-16	2014-15	2015-16	2014-15
Trade receivables (Net of Foreign Bill Discounting)	USD	**1752448.43**	1613796.40	**1160.56**	1008.01
	Euro	**25849.48**	-	**19.50**	-
Advances from Customers	USD	**229250.73**	198262.39	**174.44**	123.84
	Euro	19576.78	19680.00	**14.23**	13.07
Trade Payables	USD	**142586.97**	105459.74	**94.48**	65.92
	CHF	**6907.31**	12557.86	**4.77**	8.06
	Euro	**132701.91**	26067.50	**100.11**	17.50
Foreign Currency Loan	USD	**5804761.24**	6111410.06	**3846.23**	3819.94
Foreign Commission Payable	USD	**147997.36**	143179.00	**98.06**	89.49
	Euro	**3418.95**	1655.86	**2.58**	1.11

(B) Forward Contracts of Rs. 4265.72 Lacs, US $ 63.41 Lacs (Previous Year 3984.62 Lacs, US $ 63.53 Lacs and EURO 0.55 Lacs) taken for the purpose of hedging of Trade debtors are outstanding as 31.03.16

27.28 During the year the company has provided Corporate Social Responsibility (CSR) expenses of Rs.46.83 Lacs (PY Rs.17.96 Lacs), including Rs.34.78 lacs (PY Rs.16.04 Lacs) transferred to Winsome Foundation Trust.

27.29 Figures for the previous year have been re-grouped/rearranged where ever necessary to make them comparable with current year.

As per our report of even date.
For LODHA & CO.
Chartered Accountants
FRN : 301051E

For and on behalf of
Board of Directors

N.K. Lodha
Partner
M. No. 85155

Ashish Bagrodia
Chairman Cum
Managing Director
DIN-00047021

Anil Sharma
Chief Executive Officer

Sanjay Kedia
Chief Financial Officer

Place: Chandigarh
Date : 27.05.16

Sourabh Gupta
Company Secretary
FCS 5952

Directors: **Chandra Mohan**
DIN - 00017621

Satish Girotra
DIN - 01112511

Amrit Lal Batra
DIN - 00399728

STATEMENT OF IMPACT OF AUDIT QUALIFICATIONS

I. **(Rs. in Lacs)**

S.No	Particulars	Audited Figure (As reported before adjusting for qualifications)	Audited Figure (As reported After adjusting for qualifications)*
1	Turnover/Total Income	65,999	65,999
2	Total Expenditure (including tax expenses)	63,951	63,951
3	Net Profit/(Loss)	2,048	9,59
4	Earning Per Share (in Rs.)	10.33	4.84
5	Total Assets	74,860	73,771
6	Total Liabilities	59,072	59,072
7	Net Worth	15,788	14,699
8	Any Other financial item (s) (as felt appropriate by the management)	Refer Emphasis of Matter paragraph in the Auditor's Report on quarterly and year to date Financial Results.	

*** all adjustments are without tax effect.**

II. Audit Qualifications :

a. Detail of Audit Qualifications

Qualification in the Annexure referred to in 'Basis for Qualified Opinion' paragraph of the Auditors' Report dated 27th May, 2016 to the members of Winsome Textile Industries Limited on the accounts for the year ended 31st March, 2016 :-

i. Qualified :

i) Note no. 2 of accompanying Statement regarding non-provisioning against Receivables amounting to Rs.1089.44 Lacs [from a erstwhile associate body corporate, whose net worth has been fully eroded], as in the opinion of management same are good and recoverable and our inability to comment thereon.

b.	Type of Audit Qualification	Qualified Opinion
c.	Frequency of Qualification	i) Qualification (i)- 2nd year of observation. (First time referred in the Audit Report of the year as on date 31st, March 2015).
d.	Management Views for audit qualifications where the impact is quantified	i) (a) With regard to Auditor's observation no.(i) regarding non-provisioning against receivables amounting to Rs.1089.44 lacs, the explanation of Directors are that the management is hopeful of recovery considering preparation of financial statement of the said body corporate as going concern basis, future prospects of revival of textile market and stable government policies, therefore no provision there against is considered necessary.
e.	Management Views for audit qualifications where the impact is not quantified	
	(i) Management estimation on the impact of audit qualification:	None
	(ii) Auditor's Comment on (i)	None

Emphasis of Matter: Refer Annexure 'A' (attached)

III. To be signed by:

1	~~CEO~~/Managing Director	_____Sd/_____ Ashish Bagrodia Managing Director (DIN-00047021)
2	Chief Financial Officer	_____Sd/_____ Sanjay Kedia Chief Financial Officer (CFO)
3	Auditor of the Company	_____Sd/_____ N.K. Lodha (Partner) M. No.85155 I M/s Lodha & Co. Chartered Accountants (FRN: 301051E)
4	Audit Committee Chairman	_____Sd/_____ Chandra Mohan Audit Committee Chairman (DIN-00017621)

Date: 22.07.2016
Place: Chandigarh

WINSOME TEXTILES INDUSTRIES LIMITED

(Financial year ended 31st March 2016)

ANNEXURE 'A'

Emphasis of Matter

Attention is drawn to:

(i) The company has not considered impairment testing of Fixed Assets of Hydro Power Project at Manuni, HP, which has been capitalized during the year w.e.f . 25th Sept 2015 but could not be put to use due to certain disputes with the **HP State Electricity Board Limited** (Gross block Rs. 3838.67 lacs) (WDV Rs.3762.21 lacs) .The matter is subjudice before the High Court of HP and in view of the management, no impairment testing, as per AS-28 is necessary as the they are confident about the earliest start of the operations as well as recoverability of amount so far invested.

(ii) Balances of certain receivables, loans and advances, trade payables and other liabilities are subject to confirmation/reconciliation.

(iii) As per past practice, Consumption of raw materials have been accounted for as balancing figure as assessed and estimated by the management.

Our opinion is not qualified in respect of matters stated above.

Management Comments:

(i) The matter is subjudice before the High Court of HP and in view of the management, no impairment testing, as per AS-28 is necessary as the Company is confident about the earliest start of the operations as well as recoverability of amount so far invested.

(ii) The process of confirmation/reconciliation is in process. The Company has received confirmation and reconciliation from majority of parties having substantial amount. Reconciliation of balance parties will be reconciled shortly as the same are already in process.

(iii) The company is following said practice since inception i.e. from last 30 years.

_____Sd/_____	_____Sd/_____	_____Sd/_____	_____Sd/_____
Ashish Bagrodia	Sanjay Kedia	N.K. Lodha (Partner)	Chandra Mohan
Managing Director	Chief Financial Officer	M. No.85155	Audit Committee
(DIN-00047021)	(CFO)	M/s Lodha & Co.	Chairman
		Chartered Accountants	(DIN-00017621)
		(FRN: 301051E)	

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NOTICE

WINSOME TEXTILE INDUSTRIES LIMITED

CIN:L17115HP1980PLC005647

Regd. office: 1, Industrial Area, Baddi, Distt. Solan, H.P. - 173205 | Phone No:- 01795-244045 Fax No. 01795-244287

Website: www.winsometextile.com, email: cswtil@winsometextile.com

NOTICE is hereby given that the **35th Annual General Meeting of the Members of Winsome Textile Industries Limited**, will be held on Wednesday, the 28th day of September, 2016 at 10:00 A.M. at its Registered Office at 1, Industrial Area, Baddi, Distt. Solan (H.P.) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit & Loss Account for the year ended 31st March 2016, and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Shri Ashish Bagrodia (DIN-00047021), who retires by rotation and being eligible, offers himself for re-appointment.

3. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of Companies Act 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the resolution of Members at the 33rd Annual General Meeting held on September 29, 2014, the appointment of M/s Lodha & Co., Chartered Accountants, (Firm Registration No.301051E), as Statutory Auditors of the Company from the conclusion of this meeting till the conclusion of 36th Annual General Meeting of the Company, be ratified by the members at a remuneration to be decided by the Board of Directors."

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of Companies Act 2013, read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the payment of remuneration of Rs. 70,000/- (Rupees Seventy Thousand Only) to M/s Aggarwal Vimal & Associates,Cost Accountants, Chandigarh, (Firm Registration No.000350), appointed by the Board of Directors as Cost Auditor of the Company, for conducting the audit of cost accounts of Company for the financial year 2016-17, be and is hereby ratified and confirmed.

   RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorised to

settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

Place: Chandigarh

Dated: 27.05.2016

By Order of the Board

Sd/
(ASHISH BAGRODIA)
CHAIRMAN & MANAGING DIRECTOR
DIN-00047021

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY SIGNED AND STAMPED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.**

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.

3. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) shall send certified true copy of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Company to attend the AGM.

4. The Register of Members and Share Transfer Books of the Company will remain closed from 07.09.2016 to 09.09.2016 (both days inclusive).

5. As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details in respect of director(s) seeking re-appointment at the AGM, forms integral part of the notice. Requisite declarations/consent have been received from the Director(s) seeking reappointment as per provisions of Companies Act, 2013 including rules framed thereunder.

6. In terms of Section 123 of the Companies Act, 2013 and Sections 205A, 205C of the Companies Act, 1956 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Pursuance to same, during the year 2015-2016 a sum of Rs.9,637.20/-has been transferred to the

Investor Education and Protection Fund (IEPF) towards unclaimed/unpaid dividend for the year 2007-2008.

Further the unclaimed dividend for the year 2010-2011 is due to be transferred to Investor Education and Protection Fund, in the month of August/September 2018. The shareholders who have not claimed their dividend for the aforesaid years are requested to claim the same from the Company immediately.

7. Members desiring any information, as regards accounts & operations, are requested to write to the Company at its Registered Office at least ten days before the date of Annual General Meeting so as to enable to keep the information ready.

8. Members/Proxies are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.

9. In case of joint holders attending the meeting only such joint holders who are higher in the order of names will be entitled to vote.

10. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered office of the Company during normal business hours (9:00 A.M. to 5:00 P.M.) on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting.

11. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Registrar & Share Transfer Agent of the Company.

13. The notice of AGM along with Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members who have so far not registered their email addresses & changes therein, are requested to register the same with their Depository Participant in case of electronic holdings under intimation to Registrar & Share Transfer Agent.

    In case of shares in physical form, members may register their email addresses & changes therein with Registrar & Share Transfer Agent of the Company. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at www.winsometextile.com

14. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates etc. immediately to the Registrar & Share Transfer Agent of Company.

15. The route map showing directions to reach the venue of the 35th AGM is annexed.

16. As a measure of economy, copies of Annual Report will not be distributed at the venue of the AGM. Members are therefore requested to bring their own copies of the Annual Report to the meeting.

17. Link Intime India Private Limited, having its office located at 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR Nariana, New Delhi - 110028 (Tel. 011-41410592-94, Fax No. 011-41410591) is acting as Common Agency (Registrar & Share Transfer Agent) for dematerialisation and physical transfers of shares of the Company. The members should send their physical shares for transfers, transmissions, communications for change of address, issue of duplicate shares, bank details, ECS details, bank Mandates etc. directly to the aforesaid Registrar & Share Transfer Agent.

18. Voting through electronic means :-

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on all the resolutions proposed to be considered at the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through Polling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Polling Paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period will commence on 25th September, 2016 at 9:00 A.M. (IST) and will end on 27th September, 2016 at 5:00 P.M. (IST) During this period, members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The instructions for remote e-voting are as under :-

A. In case a Members receives an e-mail from NSDL [for Members whose e-mail addresses are registered with the Company/Depository Participant(s)] :-

(i) Open the e-mail and also open the attached PDF file namely "Winsome e-voting 2016. Pdf" with your Client ID (in case you are holding shares in demat mode) OR Folio No. (in case you are holding shares in physical mode) as password. The said PDF file contains your "User ID" and "Password" for e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the URL https://www.evoting.nsdl.com

(iii) Click on "Shareholder – Login".

(iv) If you are already registered with NSDL for e-voting then you can use your existing User ID and password and Click Login.

(v) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.

(vi) Password Change Menu appears. Change the password with a new password of your choice with minimum 8 digits/characters or combination thereof. Please keep a note of the new Password. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

(vii) Home page of " e-Voting" opens. Click on e-Voting-Active Voting Cycles.

(viii) Select "EVEN" (E-Voting Event Number) of Winsome Textile Industries Limited.

(ix) Now you are ready for e-Voting as "Cast Vote" page opens.

(x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.

(xi) Upon confirmation, the message "vote cast successfully" will be displayed.

(xii) Once you have voted on the resolution, you will not be allowed to change/modify your vote.

(xiii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter copy etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: gmadan1959@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case a Members receives physical copy of the Notice of AGM [for Members whose e-mail addresses are not registered with the Company/Depository Participant(s)] :-

(i) Initial password is provide in the enclosed 'Instruction for e-voting' for the AGM. EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN

(ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xiii) above, to cast vote.

V. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of https://www.evoting.nsdl.com or call at 1800-222-990.

VI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.:1800-222-990.

VII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 21st September 2016.

VIII. Mr. Girish Madan, Practicing Company Secretary (Membership No. FCS-5017) has been appointed as the Scrutinizer to Scrutinize the remote e-voting process including polling papers in fair and transparent manner.

IX. The Scrutinizer shall after the conclusion of voting at the general meeting, will 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 witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, declare the result of the voting forthwith.

X. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company i.e. www.winsometextile.com and on website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Bombay Stock Exchange, Mumbai.

ITEM NO. 2

Details pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) with respect to Director retiring by rotation and being eligible seeking re-appointment is as under:

Name of Director	Ashish Bagrodia
Director Identification Number	00047021
Date of Birth	19.06.1970
Date of appointment on the Board	01.10.1996
Qualification	B. E. (Mech.) Hons.
Experience & Expertise in specific Functional Areas	More than two decades of core experience in Textile Industry & in various business operational matters like projects implementation/ projects developments, corporate planning, leadership and corporate advisory/management.
No. of shares held in the Company as on 31.03.16	49220 Equity Shares of Rs.10/- each.
No. of Board Meetings attended during the year	All Four Board Meetings were attended.
*** Directorship held in Other Public Ltd. Companies**	Engineering Innovations Ltd. Confederation of Indian Textile Industry (CITI) PHD Chamber of Commerce & Industry Inde Dutch Engg. & Aerospace Services Ltd. IDS Infotech Ltd.
Membership/Chairmanship of Committees held in Other Public Ltd. Companies (includes only Audit Committee & Stakeholder's Relationship Committee)	Chairmanship: NIL Membership: NIL
Relationships between Directors inter-se	NIL

** All unlisted Public Limited Companies.*

The relatives of Shri Ashish Bagrodia may be deemed to be interested in the said resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, in this resolution. In view of above, Board recommends this resolution for approval by the shareholders.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 3

The shareholders in their 33rd Annual General meeting held on 29th September 2014 have re-appointed M/s Lodha & Co, Chartered Accountants, as Statutory Auditors of Company, for a period of three years i.e. from the conclusion of 33rd Annual General Meeting of the Company till the conclusion of 36th Annual General Meeting of the Company, subject to the ratification of their appointment by the members in every subsequent Annual General Meeting in accordance with the provisions of Section 139 of the Companies Act 2013 read with Companies (Audit & Auditors) Rules 2014.

Considering the above, Board of Directors of the Company, after considering the recommendations of Audit Committee, have approved the re-appointment of M/s Lodha & Co, Chartered Accountants, as Statutory Auditors of the Company, as per provisions of Section 139 of Companies Act 2013 read with Companies (Audit & Auditors) Rules 2014. In terms of provisions of Section 139 of Companies Act, 2013, the appointment of Statutory Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Lodha & Co., Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the shareholders.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested in this resolution. In view of the above, Board recommends this resolution for approval by the shareholders.

ITEM NO. 4

The Board of Directors, on the recommendations of Audit Committee have appointed M/s Aggarwal Vimal & Associates, Cost Accountants, as Cost Auditor of Company for the Financial Year 2016-2017 to conduct the Cost Audit of Cost Accounts of the Company on a total remuneration of Rs. 70,000/-(Rupees Seventy Thousand only). According to provisions of section 148 of Companies Act 2013 read with Companies (Audit & Auditors) Rules 2014, the remuneration of Cost Auditor is subject to the ratification of members of Company. None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested in this resolution. In view of above, Board recommends this resolution for approval by the shareholders.

Place: Chandigarh

Dated: 27.05.2016

By Order of the Board

Sd/
(ASHISH BAGRODIA)
CHAIRMAN & MANAGING DIRECTOR
DIN-00047021

WINSOME TEXTILE INDUSTRIES LIMITED

CIN:L17115HP1980PLC005647

Regd. office: 1, Industrial Area, Baddi, Distt. Solan, H.P. - 173205 | Phone No:- 01795-244045 Fax No. 01795-244287

Website: www.winsometextile.com, email: cswtil@winsometextile.com

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : .....

Registered address : .....

Email Id : .....

Folio No. / Client ID No. : ..... DP ID No. .....

I/We, being the member(s) of ..... shares of Winsome Textile Industries Limited , hereby appoint

1. Name: .....Email: .....

   Address: .....

   Signature: _____ or failing him / her

2. Name: .....Email: .....

   Address: .....

   Signature: _____ or failing him / her

3. Name: .....Email: .....

   Address: .....

   Signature: _____ or failing him / her

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on Wednesday, the 28th day of September, 2016 at 10:00 A.M. at regd. office of Company at 1, Industrial Area, Baddi, Distt. Solan, Himachal Pradesh and at any adjournment thereof in respect of such resolutions as are indicated below :

S. No.	Resolutions	For	Against
Ordinary Business			
1.	Adoption of Audited Financial Statements of the Company together with the Reports of Board of Director's and Auditor's thereon for the year ended 31st March, 2016.		
2.	Re-appointment of Shri Ashish Bagrodia (DIN-00047021) as Director who retires by rotation.		
3.	Ratification of appointment of M/s Lodha & Co., as Statutory Auditors of Company & to fix their remuneration.		
Special Business			
4.	Ratification of remuneration of Cost Auditors.		

Signed this ..... day of ..... 2016.

AFFIX REVENUE STAMP

....

Signature of Shareholder Signature of proxy holder(s)

Note:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the Commencement of the Meeting.**
2. **Incomplete Proxy Form will not be considered.**

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WINSOME TEXTILE INDUSTRIES LIMITED

CIN:L17115HP1980PLC005647

Regd. office: 1, Industrial Area, Baddi, Distt. Solan, H.P. - 173205 | Phone No:- 01795-244045 Fax No. 01795-244287

Website: www.winsometextile.com, email: cswtil@winsometextile.com

ATTENDANCE SLIP

(To be presented at the entrance)

35th ANNUAL GENERAL MEETING ON WEDNESDAY, 28th SEPTEMBER, 2016 AT 10:00 A.M.

at Regd. Office of the Company at 1, Industrial Area, Baddi, Distt. Solan, H.P. -173205

Folio No.: _____ DP ID No.: _____ Client ID No.: _____

Name of the Member: _____

Signature: _____

Name of the Proxyholder: _____

Signature: _____

NOTE:

1. **Only Member/Proxyholder can attend the Meeting.**
2. **Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.**
3. **No gifts or coupons would be given to the Shareholders/Proxyholder for attending the Meeting.**

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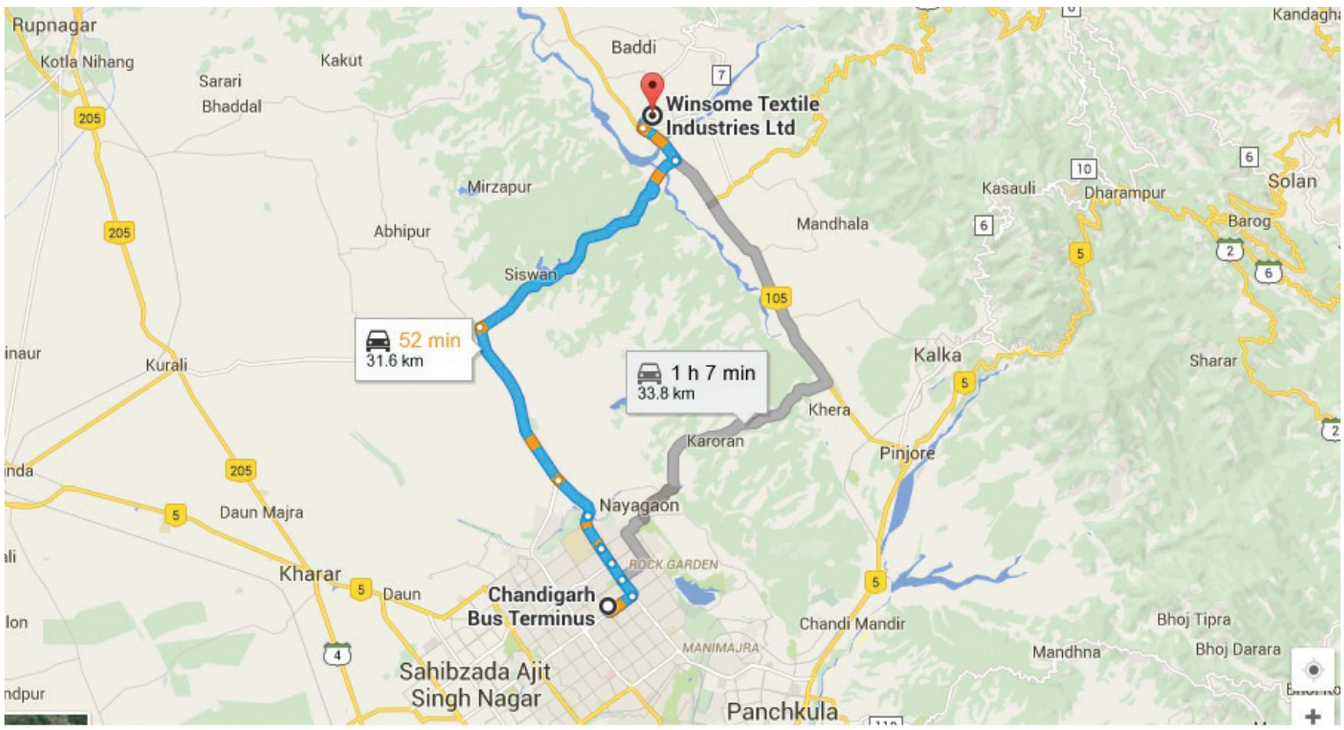
WINSOME TEXTILE INDUSTRIES LIMITED

CIN:L17115HP1980PLC005647

Regd. office: 1, Industrial Area, Baddi, Distt. Solan, H.P. - 173205 | Phone No:- 01795-244045 Fax No. 01795-244287

Website: www.winsometextile.com, email: cswtil@winsometextile.com

ROUTE MAP



Source: www.google.co.in/maps

NOTES

NOTES

RADHA MADHAV MANDIR at Winsome Textile Industries Limited, Baddi (H.P.)

If undelivered, please return to:
CORPORATE OFFICE: Winsome Textile Industries Limited, SCO 191-192,
Sector 34-A, Chandigarh – 160022 (India)